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Thorn Urges U.S., Europe To Trade Key Concessions

By Joseph Fitchett
International Herald Tribune



Gaston Thorn

BRUSSELS — A key official of the European Economic Community says that Western European governments would move toward a trade-off with the Reagan administration if the Reagan administration modified its posture against intervening in currency markets to stabilize the dollar's value.

Gaston Thorn, the leader of the EEC Commission, outlined in an interview this potentially important trade-off, which may be launched at the Versailles economic summit meeting opening on Friday. Several U.S. diplomats in Europe confirmed that these two issues were at the heart of last-minute summit preparations, with signs of some movement.

It's a tough trade-off of apples and oranges, which does not involve the same bureaucrats in the administration, a diplomat said, adding: "But if the Europeans push the idea, the United States might agree to an ongoing monetary review by the International Monetary Fund and the seven summit governments."

The inclusion of governments could be read by European leaders as a mechanism for monetary consultation among the main industrial countries. Mr. Thorn and other European leaders contend that this could affect market psychology, damping speculation without requiring regular U.S. intervention to artificially control the dollar.

The Reagan administration officially ended intervention in currency markets in mid-1981. "All Europeans are ready to recognize the principle that we ought to harmonize our approaches to

East-West trade, and growing doubt about some East European countries' ability to pay already is making us more cautious in this area," he said.

But he said, in exchange for a more restrictive European approach to East-bloc sales, "there must first be a gesture from the United States to say, 'We're also going to make a contribution to Western economic solidarity in the form of an effort to correct the malfunctioning of the monetary system.'"

Mr. Thorn said that both Europeans and Americans should be ready to settle for modest concessions by each side. Even a limited accord, he said, could give badly needed impetus to Western economic cooperation, helping overcome what he called damaging ideological differences in economics during the last year between the Reagan administration and key European governments, notably France.

Regular Contacts

Concretely, Mr. Thorn appeared to attach considerable importance to a reported plan for Versailles summit participants to institute regular contacts among their top economic advisers.

He suggested that the monetary consultations, over time, might promote a system of currency zones — the dollar, the European Monetary System and the yen — that would buffer European currencies. He added that this might help reduce the yen, thus easing Japanese competitive pressure.

Some U.S. help along these lines, he said, would foster European movement on a major Reagan administration preoccupation: European facilities for Soviet industrial purchases. State Department counselor James L. Buckley just visited Western Europe, urging governments to toughen their Soviet trade terms.

Mr. Buckley reported to Washington that Western Europe cannot adopt a uniform policy on East-bloc exports because each country's commercial system and government role is different, U.S.



President Reagan and his wife, Nancy, waved from the steps of their helicopter Wednesday as they left the White House. Their plane from Washington arrived in Paris late Wednesday night.

diplomats said. But a collective effort is possible, they said, if each European government adopts its own policy mix of measures, including higher credit charges, more expensive insurance, or bigger down payments and faster repayment for Soviet-bloc customers.

Threats to West

Mr. Thorn indicated that progress along these lines toward Western economic burden-sharing was essential to turn around the deteriorating atmosphere among the main Western industrial countries. Mutual recriminations, rising protectionism and looming trade wars, he said, threaten to undermine the West's global commercial activity and influence.

Worried about U.S.-European trade frictions, Mr. Thorn said that he intended to appeal personally to President Reagan at Versailles to put U.S.-European trade talks on "a more serious, perhaps more confidential basis." This problem, he said, has become his primary preoccupation as head of the European Commission.

Mr. Thorn lamented the lack of coordination among European countries, the Reagan administration's apparent indifference to its allies' economic and legal inequities, and even including its latest liberalizing moves, to open its markets.

"If we don't get good signals from Versailles against protectionism, the GATT meeting [scheduled

next fall in an effort to revive international trade] will be a failure," Mr. Thorn said, adding: "The crisis makes it harder to be tolerant or generous, but it's precisely in a crisis that this extra effort is indispensable."

In sounding cautiously optimistic about the chances for Versailles to improve the atmosphere, Mr. Thorn seemed to be relying heavily on his conviction that political divergences are softening between the conservative Reagan administration and President Francois Mitterrand's Socialist government in France.

"Since the Ottawa summit a year ago, these two leaders have not only got to know one another

British Shelling Argentine Line Around Stanley

From Agency Dispatches

LONDON — British artillery pounded Argentine positions Wednesday near Stanley, the encircled capital of the Falkland Islands.

Meanwhile, the latest UN attempt to arrange a cease-fire failed. Secretary-General Javier Perez de Cuellar told the Security Council it was his "considered judgment that the positions of the two parties do not offer the possibility of developing at this time terms for a cease-fire that would be mutually acceptable."

Maj. Gen. Jeremy Moore, commander of British land forces in the Falklands, said in an interview with the British Broadcasting Corp. "We have got very close in and we are beginning to apply pressure to the main enemy positions throughout Stanley. Today we have been shelling the Moody Brook camp."

Moody Brook is three miles (five kilometers) from Stanley and one of the advance bases in the Argentine defensive perimeter.

In Buenos Aires, military sources said the British forces were slowly closing in on Stanley and might be preparing for an all-out assault.

The Argentine sources, quoted by the independent news agency Noticias Argentinas, said British troops were advancing toward a belt of mine fields surrounding the Argentine lines.

A military spokesman said that

the encircled garrison in Stanley was continuing to receive supplies by air, something that British sources have said has become virtually impossible.

The Argentine force of up to 7,000 men includes 2,000 highly-trained navy marines, the spokesman said.

British forces, meanwhile, have been pushing forward with helicopters, tanks and infantry troops through rugged terrain onto hilltop positions overlooking the Stanley area.

But senior British defense sources said it would take "a few days" to get men and material in position for a final assault on Stanley. About 3,500 British troops were believed to have landed recently north of the capital.

Situation Called Tense

Argentina's defense minister, Amadeo Frugoli, said Wednesday that the military situation in the South Atlantic was tense, but he praised the Argentine forces' preparedness.

"We are in good operating condition and in good moral and spiritual condition," he said.

Military sources reported no major new fighting as the British forces moved forward. Leslie Dowd, a Reuters correspondent with the ground forces, reported that British marines had "pushed forward to seize positions just seven miles" from Stanley.

Although military censors would not allow him to give his exact location, Mr. Dowd said, "We are 10 miles away and can see the roof of one of the landmark buildings, the pavilion of the Port Stanley Social and Shooting Club."

The advancing paratroopers have met "negligible opposition," Mr. Dowd said. He quoted an officer as saying the Argentines "have a classic defensive position, a horseshoe around Port Stanley. It could be a very bloody battle indeed if they decide to slug it out."

Argentina's ruling junta, meanwhile, dispatched a military delegation to UN headquarters in New York with some suggestions for the Argentine ambassador. But Foreign Minister Nicanor Costa Mendez, speaking in Buenos Aires, said the delegates "aren't carrying any new proposals."

Brig. José Miret, leader of the Argentine delegation, said his group was empowered to respond "almost immediately" to any proposal.

(Continued on Page 2, Col. 5)

Reagan Hopes to Win European Support on Economy, Arms Control

By Hedrick Smith
New York Times Service

WASHINGTON — Besset by recession-sapping opinion polls and a budget deadline in Congress, President Reagan embarked Wednesday on his most extensive venture in diplomacy. It is aimed at winning public support in Europe, a tougher Western credit stance toward the Soviet Union, and more patience with his economic policies.

Mr. Reagan arrived in Paris late Wednesday evening. The Associated Press reported. Before leaving Washington, he said, "There has been nearly a decade of troubling events and uncertainty among the allies and ourselves, but today there is a regrowth of unity and purpose, and I hope that this trip will contribute to that."

On the eve of his departure, Mr. Reagan told four West European television correspondents that on credits to Moscow he would propose "not some return to the Cold War as such, but a temporary period of restraint while we show them what we have to offer if they will give up their expansionist policies and their obvious militarism."

"I believe that now is a time not to continue subsidizing them with cheap credits," Mr. Reagan said. Other officials said that while progress had been made on a common Western credit policy toward Moscow, there was still no final agreement.

The White House, braced for anti-Reagan demonstrations, has

arranged for tight security on the 71-year-old president's hectic 10-day journey to France, Italy, Britain and West Germany, but officials foresee significant potential gains for Mr. Reagan's "public diplomacy." Secretary of State Alexander Haig Jr. asserted that in laying the groundwork for his trip recently, the president "has put to rest a number of understandable concerns in Europe and Japan" about his nuclear policy.

Politically, Mr. Reagan will be on the offensive. With his new arms proposals and the promised start of strategic arms reduction talks on June 29, the president has postured himself as a man of peace — a theme he re-emphasized in his television interview Tuesday night.

The president's objective, Mr. Haig said, will be to show an alliance united behind American leadership despite concern over superior Soviet conventional forces in Europe, Western differences over trade and the European gas pipeline deal with Moscow, and frustration over the continuing martial-law repression in Poland.

But economically, the president will be on the defensive. Treasury Secretary Donald T. Regan admitted to reporters Tuesday.

At the seven-nation economic summit starting Friday in Versailles, the secretary said, West European leaders will be complaining about the impact of high American interest rates and huge U.S. budget deficits on their economies, while the president will be asking for

SUMMIT Trade Policy

Axel Krause reports that the Reagan administration will firmly press its allies at the Versailles summit meeting to make tangible progress on what is regarded as a key ingredient of the West's economic recovery — trade liberalization. Page 8.

Why Versailles?

Mary Blume says that the Chateau de Versailles was chosen over 18 other sites in France for the summit. Why? Versailles reflects France's preferred image of itself, a French spokesman said, and on the practical side it is easy to close off for security, it is close to Paris and it cost less than the other places that were suggested. Page 8.

more patience with Reaganomics and tougher terms of Western trade with Moscow.

In an effort to ease the concerns of President Francois Mitterrand of France, Mr. Reagan said Tuesday night that while he was opposed to government intervention "on an ongoing basis" to curb fluctuations in currency exchange rates, "we will support intervention for extreme disruptions and dislocations." Mr. Mitterrand has been pushing for some intervention to protect the franc from a strong dollar.

This year's economic agenda is similar to the economic summit meeting in Ottawa last year, but conditions have worsened. By recent estimates, aggregate unemployment in the West has risen by 5 million since 1981, and generally weaker economies have made Mr. Reagan's economic program more difficult. (Continued on Page 2, Col. 3)

Turmoil and Uncertainty Grow in Argentina

Political Conflict Seen as Battle Losses Shake Leadership

By Jackson Diehl
Washington Post Service

BUENOS AIRES — With its celebrated "recovery" of the Falkland Islands reduced to a grim final stand by an increasingly desperate army garrison, Argentina has begun to spin into an unpredictable course of nationalism, recrimination, and potentially far-reaching political turmoil.

The military government of Gen. Leopoldo Galtieri, facing what is increasingly perceived here as imminent defeat by Britain's South Atlantic task force, is clearly fighting for its own survival. As British forces close on Argentine troops entrenched around Stanley, the military command has amassed what remains of its weaponry and its air force in the hope that a single, all-out battle will finally halt the offensive.

But the junta's real struggle is an internal one. In Buenos Aires, the people are being told that Argentina has already won its war, regardless of what may happen in the coming days. Gen. Galtieri has been meeting with civilian, business and labor leaders, promising drastic reversals of economic and social policy in an effort to gain support.

Sounds of Collapse

And on television, the military spokesmen are seeking to drown out the sounds of a collapsing national dream with vivid accounts of spectacular, and possibly phantasmic, Argentine victories: an aircraft carrier in flames; a battleship's worth of British marines killed; entire squadrons of aircraft destroyed.

INSIDE

■ Twenty years have passed since Rachel Carson's "Silent Spring" first warned against the environmental and health damage caused by chemical pesticides. In the years since, her book has often been cited as perhaps the most influential single factor in creating public concern about the future of the world's ecology. Nevertheless, many now believe that her book has on balance had only limited influence in the area of its chief concern — pesticides. Insights, Page 8.

■ The Reagan administration said that it had begun talks with China on the possibility of an agreement on nuclear cooperation that would enable American companies to help develop China's future nuclear power industry. Mr. Reagan also reaffirmed a policy of "substantial liberalization" in the export of technology to China. Page 5.

■ An Iraqi plane flew over Tehran and Qum as a warning against Iranian shelling of Iraqi cities and vital installations, the Iraqi news agency reported. In Havana, Iran's foreign minister said his country is prepared to extend the fighting into Iraq if Baghdad forces continue shelling Iran. Page 3.

■ A supplement on travel and tourism in the Philippines appears on Pages 9S-11S.

It is no longer clear whether these reports are believed, and many people, in any case, think they will not be enough. "A defeat with honor is still a defeat," said one politician.

The sense of crisis has gathered quickly. A little more than two weeks ago, with the British fleet seemingly stalled around the islands and negotiations under way at the United Nations, Buenos Aires exuded optimism.

The ruling junta, deeply proud of its record in Argentina's first modern war, seemed convinced that the momentum in the conflict had finally swung its way. There were reports of concessions by British negotiators, and heavy

pressure for peace from European countries. The United States still seemed likely to help Argentina by preventing a British invasion. Weather in the South Atlantic was growing worse. Time was on Argentina's side.

Leaders of political parties were once again unified with the military. Sensing a favorable diplomatic settlement, the parties began planning for the "postwar era." Elaborate plans were drawn up for transition governments, coalition governments, and even immediate democratic elections.

Now, things have changed. "A few politicians and government leaders thought they were going to be able to structure and control

the changes in the country after the war," said Mario Campora, a former leader of the Peronist political party. "They had this dream of a kind of belle époque. But we are beginning to see now that the forces created by this crisis are going to be unbridled. No one knows what is going to happen, only that the country is going to go through some profound changes."

Both the military government and the civilian leadership have seemed to loosen their grip on the old political order, abandoning long-standing policies to align with past enemies almost overnight.

Gen. Galtieri, whose govern-

(Continued on Page 2, Col. 7)

Thatcher Says Argentina Has But a Few Days To Withdraw Before Decisive Stanley Battle

By Leonard Downie Jr.
Washington Post Service

LONDON — Prime Minister Margaret Thatcher said Wednesday that Argentina has only a few more days to withdraw its troops from the Falkland Islands before the decisive and most bloody battle of the war begins around the capital of Stanley.

Again refusing to agree to a cease-fire or any pause in the British advance across the islands during further negotiations, Mrs. Thatcher said, "They still can always withdraw, in accordance with UN Resolution 502."

Resolution 502, passed on April 3, calls for immediate Argentine withdrawal from the Falklands.

"No one would be more pleased than I should be," Mrs. Thatcher said in an interview with The Washington Post, "if either President Galtieri or the commander of their local garrison should say, 'This is absurd that we should sacrifice our young people in this way and we will not fight further.'"

"They must have a lot of fine young men there. I know we have," Mrs. Thatcher said in what amounted to her final ultimatum to the Argentine government to avoid further bloodshed.

"You know what happened at Goose Green and Darwin," she added. "There was a battle in the early stages and then they suggested there should be a surrender."

Withdrawal 'Unlikely'

But Mrs. Thatcher said she continued to doubt that Gen. Leopoldo Galtieri's government would agree to withdraw even now without attaching strings unacceptable to her.

"I've always thought it would be unlikely that a dictator would withdraw, although after both sides have suffered it is just remotely possible," she said.

"But so far, I've seen no sign of it. So far, when they've talked about it only in the sense that they want to keep some of the fruits of their occupation. And that, of course, is not acceptable to me."

"It's too easy a ploy for the invader who is in occupation of the greater parts of the Falklands to say, 'A. Right, a cease-fire, when that still leaves them in occupation of our people.'"

Asked if she thought Britons

would accept a considerable increase in casualties in the battle for Stanley, Mrs. Thatcher said they "know that to defend liberty and justice, previous generations have lost their lives."

She added, "They are prepared to see that liberty and justice is defended now, and know that it may mean more loss of life. We hope to minimize that loss of life."

After Britain repossesses all of the Falklands, Mrs. Thatcher said, she intends to "rebuild and rehabilitate and develop" the islands and increase their population with new settlers. "I'm not talking about Argentinians," she said, but others who might be attracted by development of the Falklands' offshore oil and fishing resources.

"It is then my earnest desire that the Falkland Islanders, who are British, have the right to self-determination just as in the early days of history we helped many South American countries to be liberated and come to self-determination," Mrs. Thatcher said.

Eventual independence

She added that this likely would mean eventual independence for a more populous and better developed Falklands, whose low-income, sheep-farming economy is currently dominated by a British colonial company.

Emphasizing that Britain has given "self-determination and independence" to about 40 former colonies — what she called "quite a large slice of the United Nations" — Mrs. Thatcher said, "I would like to do that for the Falklands."

But she added that "other people would have to respect that independence," which would require that the security of the Falklands "be guaranteed by a number of countries, of whom I hope the United States will be one."

Mrs. Thatcher said she thought President Reagan would help Britain agree to participate in the U.S.-led peacekeeping force that supervised the withdrawal of Israeli troops from the Sinai. She said she also hoped that at least one South American country, which she would not name, would participate.

Any future deal with Argentina about sovereignty over the Falklands was virtually ruled out by Mrs. Thatcher. She said the Falkland Islanders "will naturally be



Margaret Thatcher

more hostile to Argentina now, very much more hostile."

Instead, she stressed, for the first time publicly, the option of giving the Falklands independence after a long period of restored British colonial rule.

She said she has already asked a British expert on the Falklands, Lord Shackleton, to update his 1976 government plan for improving the island's airport and roads and developing its mineral resources.

"I believe there is quite a potential for development," Mrs. Thatcher said, although the Shackleton plan had been shelved for years until now. "The thing that has been holding it up, of course,

has been the quarrel with Argentina."

She said she believed Britain would get more people there with the development.

President Reagan, in his recent statements on the Falklands crisis, has been "absolutely marvelous on the supreme things, that aggression must not be seen to pay," Mrs. Thatcher said.

"If it does, there are 50 to 100 other territories that would be in danger, and I think those of us who lived through our generation and his know that," she said.

"When it comes to defending liberty and justice, we are the staunchest and most reliable ally in the world over, together with the United States," she added.

Polish Situation Is Called a 'Crisis' By Brezhnev and Husak at Meeting

The Associated Press

MOSCOW — President Leonid I. Brezhnev and the Czechoslovak leader, Gustav Husak, were reported Wednesday by Tass to have characterized the current situation in Poland as a crisis.

According to Tass, Mr. Brezhnev and Mr. Husak, at a meeting

However, he said he did not know whether the statement "necessarily represents a shift" in Soviet thinking about Poland.

The remarks constituted the first clear statement of support for the Warsaw leadership's Polish street demonstrations in Polish cities last month against martial law.

Since the imposition of martial law Dec. 13, the Soviet press has repeatedly said the situation in Poland is "normalizing," despite what it has described as the efforts of Western intelligence agencies to undermine the authority of the Communist Party.

The Kremlin is nonetheless thought to be deeply disturbed by last month's outbreak of street demonstrations in Poland and subsequent threats of new strikes there.

At the time, the Soviet media indicated grave concern over the protests and quoted factory workers as saying they feared "a return to the days of anarchy" — a reference to the reform period from August, 1980, until the army's crackdown last December.

Another sign of concern was the unexpected visit to Warsaw last month by Konstantin V. Ruskov, the Soviet official who oversees Moscow's relations with its Warsaw Pact allies.

An article in Pravda on May 16, the day Mr. Ruskov left for War-

saw, declared: "Outright interference is made in the affairs of a sovereign Socialist state.... Counter-revolution is being edged on to new provocations and sallies."

The Czechoslovak press also has decried the recent disturbances in Poland, taking up where it left off prior to martial law.

Among Moscow's Warsaw Pact allies, Czechoslovakia is widely thought to have been the most critical of the now-suspended independent trade union Solidarity. Prior to martial law, the Czechoslovak press often lashed out at union actions days before the Soviet press commented on the same events.

Struggle Over Memorial

WARSAW (AP) — A struggle over an unofficial memorial to miners killed during the early days of martial law entered its third day Wednesday as the authorities covered it with concrete. Police guarded the site.

On Monday a plaque appeared at the foot of a flower and evergreen cross in Victory Square, where Cardinal Stefan Wyszynski's funeral was held last year.

It was removed overnight and replaced with a flagstone. After people painted an inscription on it, authorities removed it and filled the hole with concrete Tuesday.

Pope Ends U.K. Visit In Wales, Pleads for Unity and World Peace

From Agency Dispatches

CARDIFF, Wales — Pope John Paul II Wednesday ended the first visit by a pope to Britain with calls for peace among the world's nations and unity among its Christians.

"I came here as a herald of peace and a message of reconciliation and love," he said on his departure from Cardiff's Rhosce Airport.

The pope gave thanks for the "brotherly welcome" he received in predominantly Protestant Britain and expressed "once more my good wishes to all the people of Britain and, in particular, to Her Majesty the Queen, especially on this, the anniversary of her coronation." This year is the 30th anniversary of Queen Elizabeth II's accession to the crown.

With a farewell in the ancient Celtic language of the Welsh — "Bendith Duw arnoch" — the pontiff boarded his Airbus jet for the return trip to Rome.

Seen by 100,000

During the trip, the pope attended a service at Canterbury Cathedral to symbolize a desire to heal the schism between Rome and the Anglican Church more than 400 years ago. In six days, more than 1.5 million persons have seen the pope in open Masses and meetings in London, Coventry, Liverpool, Manchester, York, Edinburgh, Glasgow and Cardiff.

A principal theme of his preaching in the cities he visited was peace, because of the fighting between British and Argentine forces in the Falkland Islands.

Earlier Wednesday, John Paul, celebrating Mass for 100,000 people in Cardiff's Pontcanna Fields, departed from his prepared text to repeat the plea for peace in the Falklands he made on arrival in Britain Friday. He also included a reference to the Iran-Iraq war.

"Let us remember those who have died in conflict throughout the world," he said, "in the conflict

in the South Atlantic, in the conflict between Iran and Iraq, in every place where human blood is shed."

"I have come to this land as a pilgrim pastor, a servant of Jesus Christ. As long as the memory of this visit lasts, may it be recorded that I, John Paul II, came to Britain to call you to Christ, to invite you to pray."

No Political Visits

The pope's visit has been strictly pastoral. Meetings with political leaders were canceled as a condition of his coming here during the Falklands conflict. Later this month, he will make a two-day visit to Argentina, designed to counterbalance his trip to Britain in the midst of the conflict.

One prayer read by schoolteacher Brian Jones during the Mass in Cardiff gave praise for the "great joy" brought by the pope and expressed the hope that "this same blessing may very soon be brought to our brothers and sisters in Jesus Christ who live in Argentina." The prayer was followed by prolonged applause.

On his arrival here, the pope drove through cheering, flag-waving crowds to medieval Cardiff Castle, where he was made a Freeman of the port city, only the fifth person to receive this honor. Unlike previous recipients — all British subjects — he was not made to swear allegiance to Queen Elizabeth II, temporal head of the Church of England.

John Paul also had a last meeting with officials of the Roman Catholic Church, praying with them for unity of the Christian faith.

In London, Robert Runcie, the archbishop of Canterbury, praised the pontiff's tour.

"He has come to Britain with the grace of a pilgrim and a prophet. He has spoken convincingly of the things of God, but has adapted himself to people and occasions with the sensitivity of a gifted pastor."



Pope John Paul II, surrounded by crowds in Cardiff, Wales.

Reagan Will Seek Support On Economy, Arms Control

(Continued from Page 1)

Reagan and other leaders such as Chancellor Helmut Schmidt of West Germany, Prime Minister Margaret Thatcher of Britain and Mr. Mitterrand, more politically vulnerable than last year.

Nonetheless, Reagan political strategists see a chance for the president to boost his political stock at home with a 10-day Euro-

pean trip that will fit a quick visit to Pope John Paul II in Rome and two days of pomp and ceremony in Britain between a three-day economic summit in Versailles and a two-day NATO summit in Bonn, capped by a visit to Berlin.

"If Congress had given him a budget, the president would have a few more poker chips to play at these meetings in Europe," said a presidential political strategist. "But I think the trip will be a political triumph. The economic summit will be the toughest on him because the focus will be on high interest rates. But the other events could provide a cushion."

Moreover, the administration has prepared several important initiatives designed to defuse European unhappiness with Reaganomics and sharpen Mr. Reagan's image as a man of peace dedicated to East-West negotiations on arms control.

At the North Atlantic Treaty Organization meeting in Bonn, Mr. Reagan will put forward a new U.S. proposal that the forces of both East and West be reduced to 700,000 troops in one stage, rather than in two stages as is presently proposed in force reduction talks.

In a speech to the British Parliament, Mr. Reagan will unveil plans for a quasi-governmental program to promote democracy in developing countries and, whenever possible, in Communist nations, through open financing of political parties, labor unions and newspapers.

At Versailles, he is prepared to put forward a suggestion for having the advanced industrial nations seek to coordinate their economic policies more closely through broadened supervision by the International Monetary Fund.

Mr. Reagan is also expected to back a combined effort to seek future ministerial negotiations on rules affecting international investment and trade in the service industry.

But even these initiatives, and even the expected debate over the president's pressure for tighter credit restraints on Moscow and a push for greater efforts to build up Western conventional forces in Europe, are not expected to deflect primary attention away from concern with the sluggish performance of Western economies and especially the drag effect of the American recession and high interest rates.

Bombs Damage U.S.-Owned Cars, Offices in Athens

The Associated Press

ATHENS — Four bombs damaged two offices belonging to the U.S. Honeywell Corp. and two cars belonging to officials of the U.S. Embassy commercial mission, but caused no casualties, police said.

A Bulgarian-owned car also was damaged in another explosion Tuesday, they said. The U.S.-owned cars were parked in a residential district.

Nobody claimed responsibility, but police said it was suspected the explosions were connected with a planned visit to Greece by the NATO chief of staff, U.S. Gen. Bernard W. Rogers on Thursday.

The blasts at the Honeywell offices smashed windows and damaged fittings but an employee said, "We are open as usual."

Pentagon Document Stresses Priority of Defending Gulf's Oil

By George C. Wilson

Washington Post Service

WASHINGTON — Protecting oil from the Gulf ranks right after defending North America and North Atlantic Treaty Organization countries on the Reagan administration's list of military priorities, according to the final draft of a Pentagon guidance document written for the armed services.

The guidance fleshes out a statement made in a recent policy speech by President Reagan's national security adviser, William P. Clark, who said "we must establish priorities for sequential operations" in a global war since the United States could not "successfully engage Soviet forces simultaneously on all fronts."

Rather than try to build a fight-them-everywhere military machine, Mr. Clark said, "the president has established priorities." He did not spell them out, but the guidance to the armed services for the five-year period 1984 through 1988 goes a long way toward doing so.

"Because our forces for the mid-term are insufficient to achieve all military objectives simultaneously," states the draft written by a number of Pentagon officials for Defense Secretary Caspar W. Weinberger, the strategy for containing the Russians in a war "has an inherent degree of risk and will require difficult choices involving sequential operations."

While recognizing that the political and military situation at the time of war will bear heavily on strategic decisions," continues the guidance, "the following priorities are provided for general planning in the event of a worldwide war with the Soviet Union:

Defense of North America — including Hawaii, Alaska and the contiguous Caribbean Basin — followed by the NATO areas and the LOCs (lines of communication) leading thereto will have the highest priority.

"The next priority for general planning will give emphasis to ensuring access to the oil in South Asia, followed by defense of U.S. Pacific allies and the LOCs for the Indian and Pacific oceans and the defense of other friendly nations in Latin America and Africa."

"U.S. actions in other parts of the world will be designed to protect essential U.S. interests, take advantage of Soviet vulnerabilities and divert attention and forces from Europe and Southwest Asia. U.S. counteroffensive, however, may well take place in these other parts of the world early on to take advantage of exposed enemy positions."

The ranking of priorities in the Pentagon paper, termed the "first complete defense guidance of this administration, fits comfortably with those of past administrations, both Democratic and Republican. Part of the reason is that much of what ends up as guidance under the name of the defense secretary

is written by Pentagon careerists.

The fiscal 1984-88 guidance calls for stretching forces between NATO and the Gulf, arguing that the two are connected strategically. In this connection, the guidance directs that forces should be provided "that can be used both in the direct defense of NATO and in the defense of allied interests in Southwest Asia."

Specifically, the guidance states, improving "reconnaissance, surveillance and airborne warning and control and fighter defense for the southeastern part of NATO would in themselves have a direct application to defense of the upper Gulf and so would increase the deterrent."

Besides looking for ways to stretch existing forces to cover more than one region, the guidance sees potential gain in causing Soviet commanders to question whether they could count on Eastern European armies in a war against the West.

It states, "We must develop more effective linkages with the people of East Europe so as to deny Soviet confidence in the reliability of her allies."

Russians Appear To Use Conflict To Get Grain Bargain

Washington Post Service

WASHINGTON — Despite U.S. fears that the Falkland Islands crisis could push Argentina closer to the Soviet Union, Soviet grain buyers apparently are trying to use the situation to obtain Argentine corn at bargain prices.

The Soviet grain-trading agency has not signed any new contracts to buy Argentine corn since March 22 and so far has committed itself to buy less than half of this year's Argentine grain surplus, far less than last year, according to official and private sources.

As a result, the sources say, the price of Argentine grain in world markets in Geneva and Rotterdam has been falling fast. Traders were offering it this week at \$8 to \$12 a ton below the price of U.S. corn, currently about \$120 a ton.

"This is a Russian maneuver," a U.S. official said last week. "They want to make the Argentines sweat a little bit and get the U.S. grain traders all lathered up about selling more to the Russians. But when the price gets low enough, you will see the Russians going back to the Argentine for more."

Millions of tons of corn and sorghum are now moving off Argentine farms to the ports of Rosario and Buenos Aires, where storage capacity is limited. But the conflict in the South Atlantic and a consequent cancellation of war-risk insurance coverage for merchant vessels by Lloyd's of London have discouraged many potential customers.

British Shell Argentine Line As Fighting Nears Stanley

(Continued from Page 1)

posals by Mr. Pérez de Cañellar. But he told reporters in Buenos Aires, "We have coded and are coding everything that is prudent to achieve an honorable peace."

Britain's UN ambassador, Sir Anthony Parsons, said after a meeting with Mr. Pérez de Cañellar, "What we were seeking and have sought all along is Argentine withdrawal."

Panama continued to press the Security Council to call for a cease-fire, even in the face of a probable British veto. Council members said, however, that it was uncertain whether such a resolution would come to a vote.

Wednesday's report by the secretary-general marked his second unsuccessful effort to end the fighting.

Later in Brasilia, where Mr. Costa Mendez stopped en route to a Havana meeting of ministers from nonaligned nations, he said that he still believed there was a faint hope of a negotiated settlement to the Falklands dispute.

"I believe that there is still a very faint hope of convincing Mrs. Thatcher," he said.

He denied reports that Argentina had sought military assistance from the Soviet Union.

The BBC quoted military sources as saying that four British ships damaged by Argentine attacks had left the task force and headed for home for major repairs.

Reports said they were believed to include the destroyer Glasgow, which was hit by an Argentine bomb that did not explode, and the frigate Argonaut, hit during the British troop landing at Port San Carlos.

Defense Ministry sources in London also said that Argentine planes had attacked a British tanker ship "well north of the exclusion

zone," which extends 200 miles around the Falklands, but they said the ship was not damaged. They did not identify it.

The Defense Ministry said two Harrier jets had been lost to Argentine fire in the "last few days," although their pilots were rescued. It also said an unspecified number of extra Harriers had arrived in the war zone.

The ministry also reported what appeared to have been a major accident involving Argentine prisoners of war at Goose Green, the airstrip 50 miles west of Stanley that was captured Friday.

An official British statement said only that there had been "an accident involving explosives" Tuesday, causing casualties among both Argentine prisoners and British troops.

A BBC correspondent said three or four Argentines were killed by a booby trap allegedly left by Argentines in an ammunition pile. There also were reports the British had ordered Argentine prisoners to clear the fields.

Michael Nicholson, a correspondent for the Independent Television Network, reported that Argentine planes twice tried to bomb British troops with napalm during the battle for Goose Green.

In Buenos Aires, a military spokesman said the British reports about napalm were "totally false."

Cuba Supports Argentina

HAVANA (AP) — Cuba offered its full support Wednesday to Argentina in the Falklands crisis and said the U.S. decision to back Britain in the conflict will bring an end to Latin American cooperation and friendship with the United States.

Speaking at a meeting of the non-aligned coordinating bureau, Foreign Minister Isidoro Malmierca attacked U.S. policies on a broad range of issues, prompting the head of the U.S. diplomatic mission in Havana, Wayne Smith, to walk out.

Mr. Malmierca said the "supposed U.S.-Latin American alliance under the Monroe Doctrine and the inter-American system is now dead, awaiting only a funeral oration."

He said the South Atlantic crisis was the product of "Anglo-U.S. aggression."

Cuba, during two days of preparatory meetings, has circulated a draft resolution condemning Britain for "colonialist aggression" against Argentina and denouncing the United States for backing the British.

WORLD BRIEFS

Result of Afghan Battle Disputed

ISLAMABAD, Pakistan — One of the fiercest battles fought since Soviet troops intervened in Afghanistan in December, 1979, has ended, but reports from diplomats disagreed whether a Soviet-Afghan force or Moslem rebels had triumphed.

Rebel spokesmen in Pakistan said during the weekend that they had stopped a combined offensive by Soviet troops and Afghan government forces in the strategic Panjshir Valley, about 50 miles (81 kilometers) north of the capital of Kabul, killing between 700 and 1,600 soldiers and destroying 60 tanks. Diplomats and rebels sources in New Delhi agreed Wednesday that the offensive, which began May 20, had failed amid heavy resistance.

But diplomatic reports Wednesday from Islamabad cast doubt on the victory claims, saying the Soviet-Afghan force had occupied key positions in the valley. Television broadcasts from Kabul showed a Defense Ministry official visiting the area and distributing medals to combatants.

Hinckley Says He Will Not Testify

WASHINGTON — John W. Hinckley Jr., who is accused of trying to assassinate President Reagan, told the judge at his trial Wednesday that he does not want to testify in his own defense, although "I have been advised by counsel I could take the stand."

Mr. Hinckley, 27, addressed U.S. District Judge Barrington D. Parker after a recess, during which he met with chief defense lawyer Vincent J. Fuller.

The final defense witness, psychiatrist Daniel R. Weinberger, testified Wednesday that it was "seven to 10 times more likely" that Mr. Hinckley's brain scan belonged to someone with schizophrenia than to a person without a severe mental disorder. He testified that Mr. Hinckley's brain tissue had degenerated and shrunk in size.

Balsemão Has 'Positive' Talks in Paris

PARIS — Premier Francisco Pinto Balsemão of Portugal said Wednesday his talks with French leaders had been "frankly positive," and that France had committed itself to backing Portugal's entry into the Common Market.

Mr. Balsemão, in Paris for a brief visit, said Prime Minister Pierre Mauroy had reaffirmed his support for Portugal's entry in the European Economic Community and that there were "no points of contention" between Paris and Lisbon on bilateral issues.

He said all other EEC members also had had positive reactions to the Portuguese candidacy. Mr. Balsemão said he saw no problem with the simultaneous entry of Spain and his country into the EEC, but added that Portugal's membership should not be delayed in the event of friction between Spain and other EEC members.

Israel Denies Unwritten Agreement

JERUSALEM — Israel denied Wednesday an assertion by Batrou Ghali, the Egyptian deputy foreign minister, that there is a gentlemen's agreement not to hold Palestinian autonomy negotiations in either Cairo or Jerusalem.

The denial, made by a spokesman for Prime Minister Menachem Begin, was made a few hours before the Egyptian foreign minister, Kamel Hassan Ali, arrived in Jerusalem for hastily arranged talks. He was carrying a message from President Hosni Mubarak.

The autonomy negotiations are at a halt because Egypt has rejected Israel's demand for Jerusalem to be one of the sites of talks.

After the meeting, Mr. Ali said that Mr. Begin may meet with Mr. Mubarak "in the near future." But Mr. Ali added that there had been no progress on the dispute over making Jerusalem a site of the negotiations.

Egypt Considers Desert Maneuvers

CAIRO — Egypt is considering a British and French request for permission to conduct military exercises in the desert, Defense Minister Abdel-Halim Abu Ghazala said Wednesday.

He said the exercises would be similar to the U.S. Rapid Deployment Force exercises held here last year.

Egypt will most likely grant permission, he said. He added that Canada earns \$1 billion annually by leasing part of its land for such exercises, a sum equal to Egypt's Suez revenues.

Scripps Sells UPI to New Company

NEW YORK — The E.W. Scripps Co. sold United Press International on Wednesday to Media News Corp., a new company formed by a group of U.S. newspaper, cable and television station owners. Terms of the sale were not announced.

Media News announced it would begin an immediate program to accelerate UPI's changeover to satellite delivery of its news report, and to improve and aggressively market UPI services worldwide using new transmission technologies such as cable, direct broadcast satellite service, low-power TV, videotape, and computer data bases.

The name of the 75-year-old news service will remain United Press International. Media News, which is privately held, said that it did not plan staff changes at UPI and that Roderick W. Beaton had agreed to remain as president.

Compiled From Agency Dispatches

Turmoil in Argentina Grows With Setbacks on Battlefield

(Continued from Page 1)

ment was portrayed at home as leading Argentina into a new strategic alliance with the United States and the West, has begun describing himself as the leader of a nonaligned, Third World nation.

In meetings with business and labor groups in the past few days, Gen. Galtieri has also promised to change the conservative, free-market economic policy the military has followed for the last six years.

He has come close to endorsing the traditional program of the military's oldest enemies, the nationalist, populist Peronists, named for former president Juan Perón. Analysts close to the Argentine military say that Gen. Galtieri, by radically changing his administration's politics to those of fervent nationalism, could maintain the military in power long beyond the present conflict.

Divisions in Labor Movement

But the military leadership is far from agreed. Even as Gen. Galtieri and the air force commander, Gen. Basilio Lami Dozo, have promised economic policy changes, Economy Minister Roberto Alemann has said in repeated interviews that no such change has been agreed upon.

The civilian leadership itself is near turmoil. The labor movement, on the point of uniting before the Falklands invasion, has now divided into two increasingly hostile camps. The front representing the five largest civilian parties is said to be deeply divided.

The Peronists, the largest political party, are mobilizing on their own. A statement Monday called for the organization of "defense committees for national sovereignty" and ominously declared that "even in the possibility of defeat, we will be permitted ... to return political sovereignty to the people."

It seems clear that with or without the junta, the "war with Britain" will not be renounced. Argentina will never relent, political and military leaders have joined in saying this week. The country will lead Latin America and the world's developing nations in a protracted struggle against the "Anglo-Saxon superpowers" of the West. If it has to, it will enter a pact with Cuba, or with the Soviet Union, political leaders seem to agree.

In recent days, the voices of moderate spokesmen seem to have disappeared. Now a question of Argentina's militant chorus is to be accused of treason.

The military command will not be blamed for invading the Falklands, many analysts in Argentina believe, and it may not even be faulted if it loses the islands. Argentina, political leaders say, has represented itself well, fighting with a determination that few outside the country expected.

Instead, Argentina's political leadership has found a much easier culprit for the loss of the islands: the United States. It has only been the material support by the United States that has turned the tide in Britain's favor, a variety of civilian leaders in Argentina are now saying.

In the army, it is said that Gen. Galtieri will quickly relieve the commander of the corps entrusted with the islands' military governor, Gen. Mario Benjamin Menéndez.

For the navy, sources say, the re-creations are beginning over the Argentine fleet, which has apparently clung to the Patagonian coast.

Meanwhile, outside the high command, the junta's rivals are apparently at work. Allies of former President Roberto Viola, removed by Gen. Galtieri last fall, have been accused publicly of plotting for a new civilian-military government.

"There's no way for the military government to reverse what started," said Raúl Alfonsín, a Radical Party leader. "The stage of the military rule has already ended."

Authorities said that a number of students were arrested and will be prosecuted for vandalism at the request of the Nigerian ambassador, Dr. B.G. Kingba.

200 Nigerian Students Stage Protest in Athens

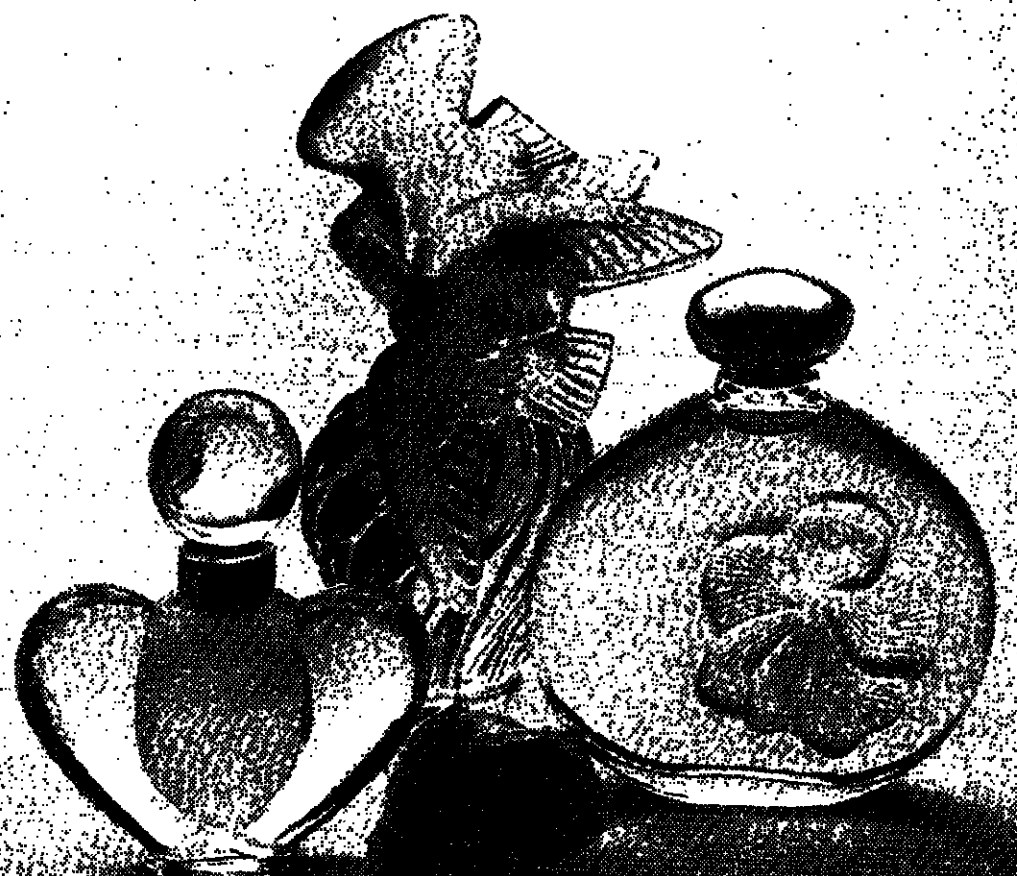
ATHENS — About 200 Nigerian students protesting delayed money payments went on a rampage through the Nigerian Embassy here Wednesday, damaging furniture and files in the embassy in the ambassador's office, press reported.

The Associated Press

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Iraqi Jet Flies Over Tehran, Qum; Iran Warns Against More Shelling

BEIRUT — An Iraqi plane flew over Tehran and Qum on Wednesday as a warning against Iranian shelling of Iraqi cities and vital installations, the Iraqi news agency reported.

In Havana, Ali-Akbar Velayati, the Iranian foreign minister, said his country was prepared to extend the fighting into Iraq if Baghdad forces continued shelling Iran. Mr. Velayati was attending a meeting of foreign ministers of the non-aligned movement.

In Cairo, President Gamal Abdel Nasser said Tuesday that a conference of moderate Arab countries, including Egypt, Iraq, Syria and Jordan, was being held to end the war between Iraq and Iran. He spoke after conferring with President Hosni Mubarak of Egypt.

An Iraqi military spokesman quoted by Iraq's news agency said that the Iraqi air force had destroyed a number of Iranian military targets in Iraq. He said that the Iraqi air force was "fully capable" of attacking Iranian targets in Iraq.

ack against civilian targets in Iraq will be met with an appropriate and firm response."

It was the first time since the early months of the war that an Iraqi warplane had flown deep into Iranian territory. Qum lies south of Tehran, 300 miles (480 kilometers) from the Iran-Iraq border.

In Iran, Tehran radio broadcast an air raid alarm Wednesday morning and quoted a military communiqué as saying several Iraqi planes had reached the capital but had been driven off by Iranian fighters.

Earlier this week, the Iraqi Air Force bombed Iran's main oil export terminal on Kharg Island and a refinery at the northern town of Tabriz in retaliation for the alleged shelling of civilian targets in Iraq.

The Kuwaiti newspaper Al-Arabia said Wednesday that Saudi Arabia and its five partners in the Gulf Cooperation Council have drawn up a three-point plan to end the war. It quoted unidentified council sources as saying the plan called for a cease-fire, Iraqi withdrawal from Iranian territory to the border specified in a 1975 agreement, negotiations to solve outstanding issues.

The report coincided with a tour of Gulf states by an Algerian presidential envoy, Lakhdar Brahimi, whose country mediated the 1975 border accord. That agreement was denounced by President Saddam Hussein of Iraq a few days before his troops moved into Iran more than 20 months ago.

The Gulf council includes Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar and Oman.

Mr. Velayati said a cease-fire depended on Iraqi acceptance of Iran's conditions. He listed these as Iraq's unconditional withdrawal from occupied territory, reparations by Iraq for war damage, and the establishment of a court to investigate what he called Iraqi aggression.

Mr. Nasser, whose country was one of the three Arab states not to break relations with Iraq when it signed a peace treaty with Israel, said, "We suggested an immediate Arab League meeting to be attended by Egypt."

Mr. Mubarak indicated that he approved of such a meeting but did not say whether he would go himself.



Ali-Akbar Velayati

U.S. Catholics Facing Acute Clergy Shortage

Vatican Stand on Celibacy, Ordination of Women Cited

By Charles Austin
New York Times Service

NEW YORK — The growing worldwide shortage of Roman Catholic priests will soon reach crisis proportions in the United States, according to research being done on the subject.

The projections indicate that the U.S. church could have 50 percent fewer active clergy by the end of the century and at the same time be financially obligated to care for a larger group of retired clergy and nuns.

In 1966, there were 48,000 persons enrolled in seminaries. Now there are 11,500, according to figures scheduled for release Thursday by the Official Catholic Directory.

There are now about 58,000 religious and diocesan priests in the United States, 315 fewer than last year. Researchers at the National Opinion Research Center of the University of Chicago predict that this number will be less than 25,000 by the end of the century.

On the other hand, the publisher of the directory reports that the number of U.S. Catholics has increased to 51.2 million, up 57,737 from last year.

Brooklyn, with 1,300 priests in 221 parishes, and 13 of these retiring, will ordain three.

"There are no signs of any increase in vocations to the priesthood," said William McCready of the National Opinion Research Center in Chicago, using earlier studies as a basis for his conclusion.

Furthermore, if current trends persist, about half those ordained this year might be expected to resign from the priesthood within 20 years. Rejection of the policy of celibacy has been the chief cause of resignations, according to research by the center.

The number of nuns is also declining. There are 120,000 in the United States, down from 180,000 in 1968.

A priest must reside at the celebration of the Eucharist, but the church is allowing non-ordained persons to do certain types of parish work. Laymen and women help distribute Holy Communion at Mass and to shut-ins. A nun may be an assistant pastor and take the main responsibility for preparing children for confirmation.

Lay ministers, however, cannot celebrate Mass. No matter how active lay people become, unless a Catholic parish today has a celibate male priest, it lacks the theological and sacramental leadership the church requires.

Richard Schoenherr, a sociologist of religion at the University of Wisconsin, said the limits placed upon the functions of the laity could thwart rising expectations for a more democratic church.

"You have to look at the whole history of the church," he said, "where the laity have always been second-class citizens, not allowed any responsibility which would give them real power."

When active lay people realize how little power they really have, Mr. Schoenherr said, "the honeymoon with lay ministries is over."

Auxiliary Bishop Joseph Francis of Newark, N.J., believes that the lay ministries indicate willingness of the church to change its manner of reaching people. He thinks that future church leadership will be less dependent upon church laws.

The Rev. Neil McCauley, president of the National Federation of Priests Councils, said, "Many people believe that God is providing more vocations to the priesthood, but some of those who feel called are women and married men, and the church's rules reject them."

The Rev. Avery Dulles, a theologian at Catholic University, and some other theologians believe the church should try to learn from the earliest traditions of Christianity. For more than a thousand years, clerical celibacy was optional, popes were married and lay people even had a role in electing bishops. It was not until the 11th and 12th centuries that clerical celibacy became church law.

There is virtually no shortage of ministers in most Protestant denominations, where women are ordained and clergy can marry, the researchers report.

Mr. McCready said his center's research indicates that the notion of optional celibacy is not offensive to most Roman Catholics. However, recent discussion on the subject has been consistently cut off by the Vatican and Pope John Paul II.

When the U.S. bishops surveyed religious orders of men and women this year, they learned that over half the male members were over 52, and only 8 percent under 30. Many orders were already selling property so as to have money to care for retired members.

The need to care for the retired and the shortage of personnel may make it difficult for the church to continue some of its educational institutions, hospitals or social service agencies. Already, less than half of the faculty at many parochial schools are clergy or nuns.

Anti-Germ Mix May Have Led to Infant Deaths

By Paul Taylor
Washington Post Service

WASHINGTON — Benzyl alcohol, a preservative commonly used to kill germs in intravenous solutions, may have contributed to the deaths of 16 premature infants in two medical centers, according to the Food and Drug Administration.

The agency, in a letter being mailed Tuesday, has urged 50,000 pediatricians, hospital pharmacists and hospital administrators to discontinue the use of benzyl alcohol when treating premature and newborn infants. The FDA said the preservative is considered safe in intravenous solutions administered to children and adults.

The warning letter was prompted by two unpublished studies, one by a research team in New Orleans and another performed independently by a group in Portland, Ore., that were conducted after neonatal specialists in both cities became suspicious of a pattern of symptoms in the deaths of infants with a birth weight of four pounds (1.8 kilograms) or less.

"Patterns Were Different"

"These infants were critically ill to begin with, but we noticed that their patterns were different from what you normally see in newborn illness," said Dr. Juan J. Gershanik, director of neonatology at Southern Baptist Hospital in New Orleans.

The one particular finding that tied them together was a gasping syndrome. With most newborns, the respiratory problems tend to

get better over time. With these, they would get worse. And there was also a general unresponsiveness and a tendency to seizures."

Dr. Gershanik said that over a period of roughly 18 months in 1980-81, 10 premature babies at the hospital exhibited such symptoms before their death. All had been given benzyl alcohol in their intravenous solution (as were all other premature babies who had an intravenous hookup), and all had traces of benzyl alcohol in their blood and urine.

Since June, 1981, the hospital has stopped using the preservative in intravenous solutions administered to premature infants, and none of the babies who has died have exhibited those particular gasping symptoms, Dr. Gershanik said.

"The data is certainly suggestive, but there has to be more study," he said.

Benzyl alcohol is most commonly found in intravenous solutions that are drawn more than once from the same bottle or container.

Its function is to retard bacterial growth once the seal of the container has been broken.

The familiar sterile saline or water solution that most people associate with intravenous feeding does not contain the preservative. That is because it is in a bottle whose seal is broken only once.

However, there are occasions when doctors draw repeatedly from the same container of saline solution, and these circumstances frequently arise with premature infants.

Energy Transport Systems Inc. a 50-year permit to divert the water will bring the state hundreds of millions of dollars. These dollars, they say, could pay for badly needed projects to get more water into arid western South Dakota.

The diversion effort has drawn considerable fire, however, from conservationists and officials of several of the nine other states surrounding the Missouri River Basin, who fear the deal may herald extensive commercial exploitation of their primary water source. Significant diversions of water, they fear, could affect irrigation, energy production and municipal, industrial and recreational uses of the river.

The Sioux Indians, to whom U.S. treaties assured possession of much of the region involved, are also upset and planning legal challenges to the plan. Railroad companies are lobbying against it because they say it would damage their coal-shipping business.

Gov. Janklow dismisses most of the criticism as "ill-informed" or arising from "selfishness" on the part of the other states.

"We already have been paid \$2 million and will receive another \$2 million after the deal clears the courts," he said. "We then stand to make about \$9 million a year, adjusted for inflation, on the project. Even if ETSI pulled out tomorrow and not one drop of water was taken, we would still make \$5.5 million."

He said the agreement halted plans by Energy Transport to draw water from the Madison Formation, a vast water table extending beneath sections of Wyoming and western South Dakota. There were fears this plan would have lowered

water pressure in towns in these areas.

The argument over the South Dakota plan is exacerbated by the lack of a comprehensive strategy for water management in the basin. There are also longstanding hard feelings in some states over the effects of federal water policy.

"Come and Get It"

"The fight is really over the general use of water in the basin," said Stephen P. Krehma, an assistant attorney general for Missouri, one of the basin states opposed to the diversion proposal. "The Bureau of Reclamation has said there is a million acre-feet of water in the basin that can be used for energy development — come and get it."

Energy Transport's agreement would allow it to divert 50,000 acre-feet of water per year. An acre-foot is the amount of water

that would cover one acre to the depth of one foot.

"South Dakota is bitter because it feels it did not get enough water for irrigation under the Flood Control Act of 1934, which led to the construction of six main stem dams that flooded large areas of the state," Mr. Krehma said. "Now the state stands to make \$1.4 billion. What has not been looked at is the impact this and other proposed out-of-basin withdrawals will have on downstream states."

Energy Transport Systems Inc. is a joint venture by Bechtel Corp., a multinational energy concern based in San Francisco; Atlantic Richfield, the nation's eighth largest petroleum company; Lehman Brothers Kuhn Loeb, a New York investment firm; Kansas-Nebraska Natural Gas Co., and Texas Eastern, a natural gas pipeline firm.

Malaysia to Purchase 88 Rebuilt Skyhawks

KUALA LUMPUR, Malaysia — Malaysia has agreed to buy 88 refurbished McDonnell-Douglas A-4L Skyhawk fighter-bombers from the United States for \$330 million, defense officials said Wednesday.

The planes are expected to be operational by the end of 1984. The A-4L is an improved version of the A-4C fighter-bomber used by Argentina and several other Latin American countries.

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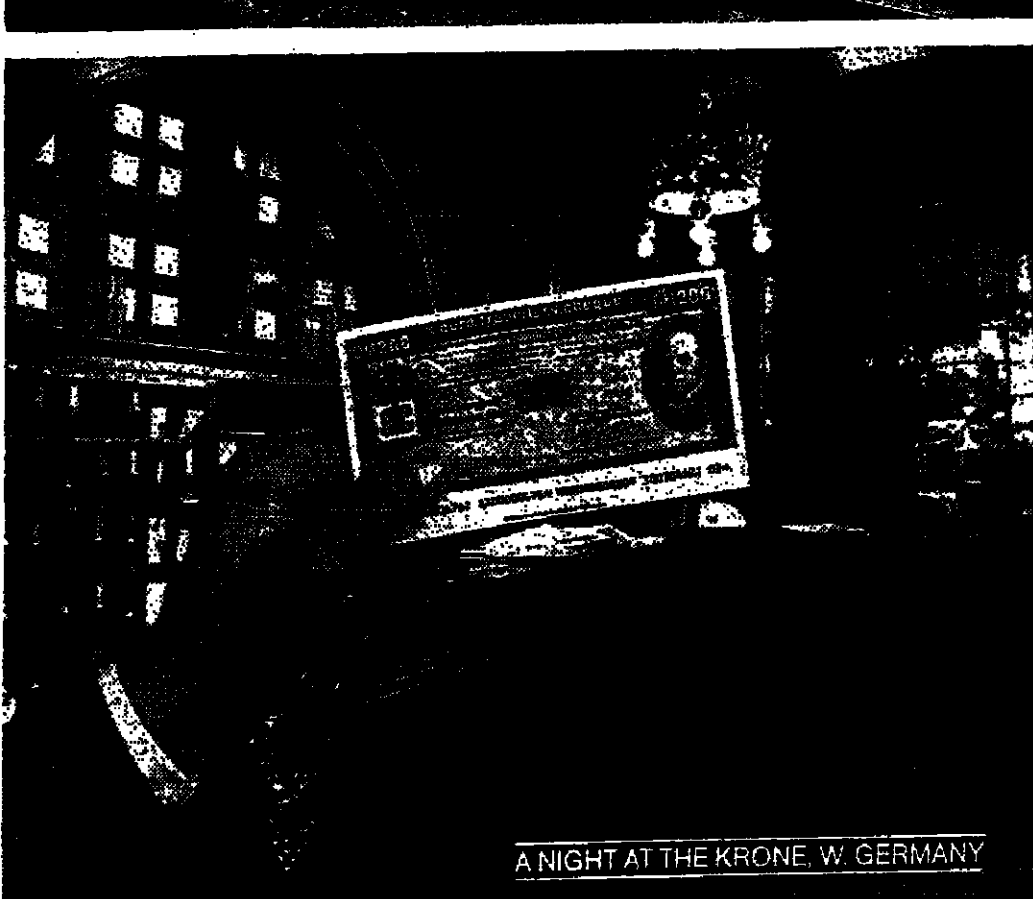
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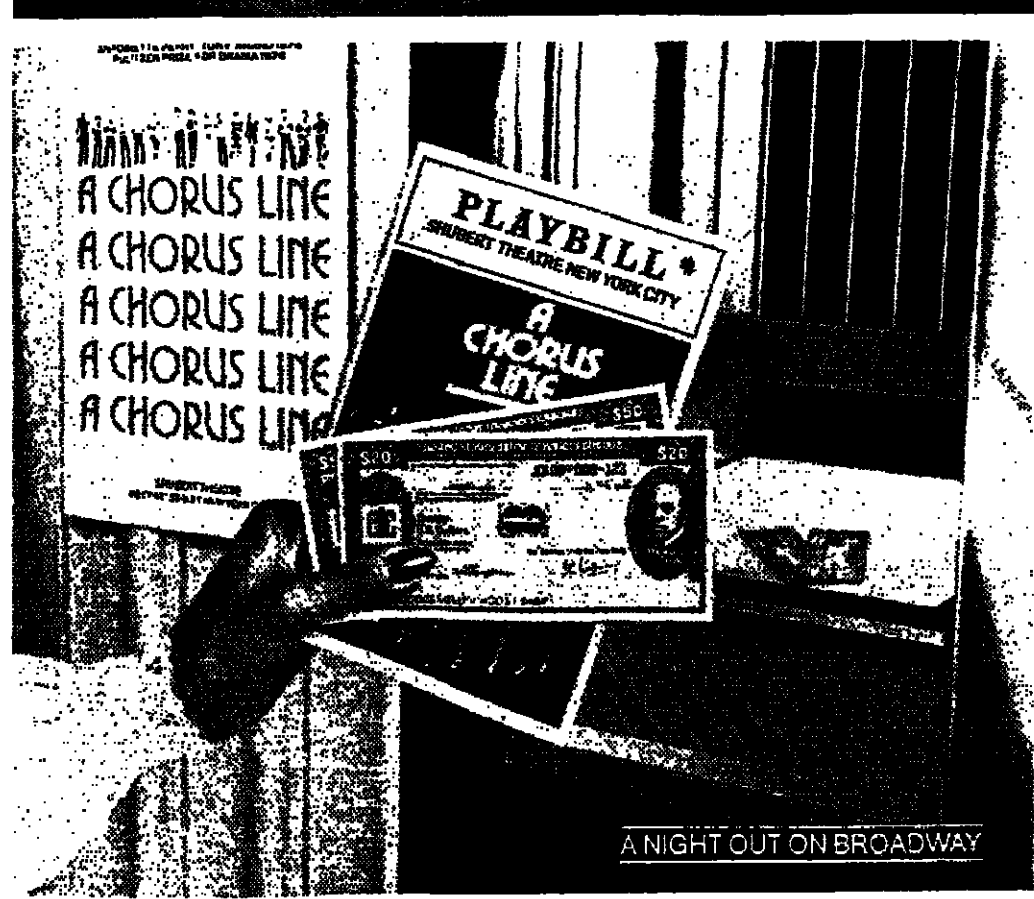
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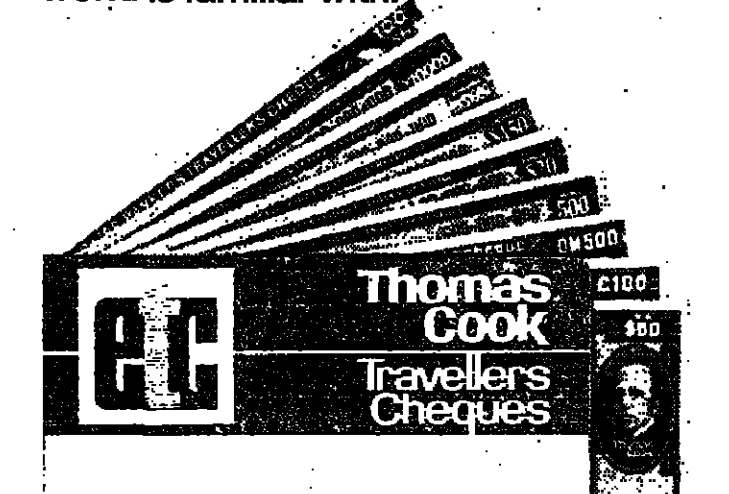
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5. The nomination papers must be written in Arabic Language giving full information about the candidate, his achievement and work, distinction in his career and attaching photocopies of his certificates, degrees, etc. and three 6 X 9 cm. photographs.
6. The nominations in ten copies are to be sent by registered airmail to the General Secretariat, King Faisal International Prize, P.O. Box: 352, Riyadh, Saudi Arabia.
7. The last date of submission of the nomination and works is the 23rd of Dhu Al-Qe'dah 1402 A.H. (September 11, 1982). The nomination papers received after this date will not be considered unless the subject of the prize is postponed for the following year.
8. No nomination papers will be returned to senders.
9. All enquiries should be made to the Secretary General of the King Faisal International Prize, Riyadh, P.O. Box: 352, Kingdom of Saudi Arabia.

Battle of the Airwaves Worries Polish Regime Western Radio Stations Accused Of Inciting Workers to Disobey

By Michael Dobbs

WARSAW — Twiddle the knob of a shortwave radio set here and you soon come across an electronic screeching that grates on your teeth like sharp nails scraping a blackboard.

Occasionally, the noise dies away and you hear the voice of broadcasters speaking in Polish from Munich, Washington, London or Paris.

Here lies the front line of one of the most important battlegrounds in Europe: a struggle for the ears and minds of 36 million Poles.

Polish government spokesmen insist that Western radio stations broadcasting to Poland are engaging in blatant psychological warfare. The goal, they say, is to undermine the Communist system at its weakest point as a preliminary step to the attempted dismantling of the entire Soviet bloc.

The broadcasters, by contrast, maintain that their primary purpose is to fill the information gap in Poland caused by strict censorship and the imposition of martial law last December.

Over the past few weeks, following a renewed outbreak of strikes and street demonstrations in Poland, controversy once again has surrounded the role of Western radio stations like the Voice of America and Radio Free Europe, which are both U.S.-financed.

In an interview, a Polish Foreign Ministry expert on "Western propaganda" accused the radio stations of announcing times and places of illegal demonstrations or strikes. The official, who asked not to be named, said this amounted to disguised "incitement" of Poles to disobey the Communist authorities.

The charge was dismissed as absurd by the head of Radio Free Europe's Polish section, Zdzislaw Najder, in a telephone interview with Washington Post Bonn correspondent Bradley Graham.

He said, "It is our duty to tell the Poles what they say themselves. We never issue appeals of our own. We sometimes even try to come down some of the Solidarity bulletins, never changing the substance but perhaps trying to sound a little less emotional."

"We have almost a complex, a hang-up, not to advise, not to encourage and not to instruct our listeners in Poland."

Despite heavy jamming, both Radio Free Europe and the Voice of America are clearly audible in Warsaw and other Polish cities at certain hours.

According to a survey conducted on Radio Free Europe's behalf among Polish visitors to the West before martial law, an estimated 17 million Poles (63.5 percent of the adult population) tuned in to the Munich-based radio station at least once a week. Voice of America had an estimated 9 million listeners a week, the BBC 6.7 million and the Voice of Germany 3.5 million.

The Foreign Ministry expert said, "We are trying to develop a new propaganda formula based on speed and correct information, but it takes some time before you can get people to believe you."

'Blacklist' Alleged

Polish officials' special venom is reserved for Radio Free Europe, which they describe as a rabidly anti-Communist organization closely linked to the Central Intelligence Agency. Among the more lurid allegations printed in Polish newspapers over the past few months is that the station keeps a blacklist of thousands of Poles earmarked for imprisonment or "liquidation" in the event of a successful uprising against the government.

Apart from the official Polish news media, the main sources of information for the Voice of America and Radio Free Europe are the reports of 30-odd Western correspondents based in Warsaw. Sometimes entire dispatches are broadcast. This has complicated the position of U.S. journalists in Warsaw, who see their job as reporting Poland to the United States, not to itself.

Several journalists, including this correspondent, have been summoned to the Foreign Ministry and warned about the impact of their reports within Poland.

The Foreign Ministry expert gave as an example Solidarity leaflets calling for a demonstration in Warsaw on May 3.

He said, "Let's assume that 5,000 to 10,000 such leaflets were distributed here and they reached 100,000 people. After being broadcast on foreign radio stations, that leaflet might have reached half a million people, telling them where to assemble and at what time."

"This, then, becomes instigation of unrest, not simply information."

Underground Solidarity activists do not conceal the fact that one of the main purposes in distributing their bulletins to Western correspondents is the hope that this information will be broadcast back to a much wider audience.



WARSAW SHOPPERS — Lech Walesa's wife, Danuta, and their daughter, Magda, stopped in the capital while on their way from Gdansk to visit the Solidarity leader, who is being detained in southeast Poland near the Soviet border.

UN Faces Delicate Task Over Rights in Poland

By Iain Guest

GENEVA — Buffeted between Western impatience and growing hostility from the Polish government, the United Nations is struggling to conduct a two-pronged investigation into human-rights violations in Poland.

The probe is seen as one of the most sensitive undertaken by the United Nations, and it involves two separate bodies. First, there is the International Labor Organization, which is striving to keep open its lines of communication with Warsaw and at the same time to ensure a place for independent trade unions in any new legislation.

This delicate balancing act could result in success or failure at the ILO's annual conference, which began in Geneva on Wednesday. Some feel that Pope John Paul II, who is to address the meeting on June 15, could decisively influence its future direction. Poland sent only a government delegation, in an effort to avoid a public protest against any worker delegation not led by the internal leader of the Solidarity union organization, Lech Walesa.

Second, at a time when he is pre-occupied by the Falkland Islands crisis, Secretary-General Javier Pérez de Cuellar will shortly have to respond to a controversial Western resolution that was passed by the March session of the Human Rights Commission, with support from eight nonaligned delegations.

The resolution called on Mr. Pérez de Cuellar to make a thorough review of human rights in Poland and to report back at the 1983 session of the commission next February. It was the first such action taken by the commission against an East European country, and it was denounced by the Poles and the Russians. Sources in Geneva say that Mr. Pérez de Cuellar has so far shown a distinct lack of enthusiasm for the assignment, but it is viewed by some Western governments as a key test of the United Nations' human-rights machinery.

Of the two, the stakes are far higher for the ILO, which was given a hint last week of the possible rewards and pitfalls that could be ahead at a meeting of the agency's policy-making governing body. The session had before it an account of a recent mission to Poland by a senior ILO official, Nicholas Valtikos. Mr. Valtikos, who is from Greece, was permitted to spend two hours with Mr. Walesa — in itself a signal of respect to the ILO. He responded with a carefully balanced account of the interview and recommended a judicious mixture of cooperation and pressure by the ILO in its future dealings with the Polish government.

Mr. Valtikos gave the impression that Mr. Walesa — whom he described as "in good physical and moral condition, calm and relaxed, his wit sharp and his welcome cordial" — was in the mood to compromise. Mr. Walesa was reported to have agreed that Solidarity, which has been suspended since the Polish authorities imposed martial law, had moved too fast and not explained its objectives clearly enough.

Walesa Promises

Mr. Walesa was also reported to have promised that Solidarity would suspend strikes for "quite a long period" and enter into a "national understanding" with the government to help the country out of its economic crisis. He added that Solidarity's statutes could easily be changed to make it less political. One possibility, he said, was to incorporate the union around 40 national committees based largely on professions.

At the same time, however, Mr. Walesa reportedly warned that a feeling of revenge had been created by the riots in May, and he complained that he had not had serious meetings with any member of the government for two months. He compared the unions and the government to two boxers in a clinch and insisted that any reforms would have to ensure independence for the unions.

The job of striking a balance in their dealings with Poland was then made harder for ILO officials by the agency's policy-makers. Sources in Geneva say that a special nine-member committee that screens reports of freedom-of-association abuses for the governing body rejected Mr. Valtikos' recommendations as too weak. Led by unionists from Ghana, Mexico and Austria, the committee insisted on demanding freedom for all those interned after the recent riots in Poland.

The committee's report was then duly passed by the full governing body by a 45-3 vote despite protests by the Soviet Union. The debate left some officials concerned that the Poles would soon be left with little incentive to continue the dialogue. A diplomat in Geneva warned that what he called an obsession with Poland could mean that the ILO pays less attention to harassed unionists elsewhere in the world.

If, as expected, the pope makes an anguished appeal to the conference on behalf of his fellow Poles on June 15, the scene could be set for further pressure on the Polish government — and an angry backlash.

Indian Grain to Bangladesh

The Associated Press
NEW DELHI — India agreed Wednesday to rush 100,000 tons of wheat to Bangladesh because of the serious food shortage caused by three consecutive crop failures there, officials said.

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Governor, Petromin; James Akins, former U.S. Ambassador to Saudi Arabia, and by satellite hook-up, the U.S. Secretary of the Treasury, Donald T. Regan.

For further information, please contact the International Herald Tribune Conference Office, 181 avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Telephone: 747.12.65, Ext.: 316. Telex: 612832.

INTERNATIONAL
Herald Tribune

Baker Reports Failure To Resolve U.S.-China Differences on Taiwan

From Agency Dispatches

PEKING — Howard H. Baker Jr., the majority leader of the U.S. Senate, said Wednesday he had been unable to resolve U.S.-China differences over arms sales to Taiwan.

Meanwhile, in Washington, a State Department spokesman said that Lisa Wickers, an American woman detained in Peking as an alleged spy, would be released Thursday afternoon and told to leave China within 48 hours. Sen. Baker had been trying to obtain her release.

On U.S.-Chinese relations, the Tennessee Republican said that he had told Chinese leaders that he opposed changing the Taiwan Relations Act, which was passed by Congress after the United States normalized ties with China in 1979. The act commits Washington to supplying Taiwan with defensive weapons.

U.S. plans to sell Taiwan military spare parts worth \$60 million have caused a crisis in Washington's relations with Peking.

Sen. Baker said he had been told by Deng Xiaoping, the deputy chairman of the Communist Party, that the future of U.S.-Chinese relations could be jeopardized if military sales to Taiwan were continued.

Similar Warning

A similar warning was given in Tokyo by the visiting Chinese premier, Zhao Ziyang, who said: "If the United States persists in selling arms to Taiwan, it would have a very serious negative effect on relations."

Mr. Zhao, on a six-day visit to Japan, said that U.S.-Chinese ties were at an important crossroad because of the issue.

He added that the key to bilateral relations was whether Washington would respect China's sovereignty or intervene in Peking's internal affairs. China regards Taiwan as an integral part of its territory.

In Taiwan, Sen. Barry M. Goldwater, Republican of Arizona, said Congress would strongly resist amending the act. He accused Peking of trying to bully the United States into abandoning Taiwan and of planning military moves against the island.

Quake Jolts Yugoslav Area

United Press International

BELGRADE — An earthquake measuring 5.2 on the Richter scale jolted the Kopnik Mountain area in eastern Yugoslavia about 120 miles (194 kilometers) south of the capital Wednesday, causing slight damage to houses in the villages of Blazevac and Brus but no injuries, police said.

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U.S., Peking Have Started Talks on Nuclear Cooperation

By Bernard Gwertzman

New York Times Service

WASHINGTON — The Reagan administration has begun talks with China on the possibility of an agreement on nuclear cooperation that would enable American companies to help develop China's future nuclear power industry.

This was disclosed Tuesday by the deputy secretary of state, Walter J. Stoessel, in a policy speech on China in which he said that President Reagan values U.S. relations with China highly and "believes it is important to work together to expand the benefits to both countries."

Discussions Hampered

Contending that too much attention had been paid to Washington-Peking differences over Taiwan, Mr. Stoessel also revealed that in a recent directive, Mr. Reagan reaffirmed a policy of "substantial liberalization" in the export of technology to China.

Mr. Reagan, according to Mr. Stoessel, declared that U.S. export policy "should support a secure, friendly and modernizing China."

State Department officials said that discussions on a possible agreement had been held privately with Chinese officials and had up to now been hampered by China's refusal to sign the treaty banning the proliferation of nuclear weapons or to join the International Atomic Energy Agency and abide by its safeguards.

China is already a producer of nuclear weapons, but the administration is insisting that China pledge its peaceful intentions and allow inspection to demonstrate that it would use any help from the United States strictly for nuclear power.

China currently has no atomic power reactors, State Department officials said, but has indicated that it is thinking of starting up a program for which it would need to import Western technology and equipment.

The most important project under consideration is for the construction of two 900-megawatt pressurized water reactors in Guangdong province, which borders on Hong Kong. The Chinese would like to sell some of the power produced to Hong Kong to gain foreign currency to offset the imports. The Chinese, officials said, have told the United States that they are very interested in U.S. technology.

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THE FRENCH STYLE OF FINE LIVING IN THE WORLD.

Seoul Cabinet Is Shuffled Again After Scandal

Reuters

SEOUL — President Chun Doo Hwan shuffled his Cabinet Wednesday for the second time in two weeks in the aftermath of a multimillion-dollar loan scandal.

Chief presidential secretary Lee Bum Suk replaced Foreign Minister Lho Shin Yong, and Mr. Lho became the first career diplomat to head the Agency for National Security Planning, successor to the Korean Central Intelligence Agency.

A presidential spokesman said the head of the security agency, Yoo Hak Seong, had tendered his resignation, citing personal reasons.

The agency has been criticized for failing to discover the banking and loan fraud, which the prosecution says was masterminded by Lee Chul Hee, former deputy director of the KCIA.

Mr. Lee and his wife, Chang Yong Ja, were indicted with 26 others Wednesday on charges that they manipulated unofficial loan and stock markets and in two years amassed \$974 million, according to the prosecution.

Among those indicted was Lee Kyu Kwan, the uncle of President Chun's wife, who was charged with accepting a bribe from the couple.

[Song Chung Kwang, a former employee of the intelligence agency, was charged with taking bribes to facilitate the couple's travels abroad, according to the Associated Press. Also indicted were seven former bank executives, seven businessmen, six brokers and five aides of the couple.]

All Cabinet members offered their resignations to Gen. Chun on May 20 to take moral and political

responsibility for the loan scandal. He accepted the resignations of 11 but retained Kim Joon Sung, deputy premier and economic planning minister, and Rha Woong Bae, the finance minister, to clear up the financial scandal.

The opposition Democratic Korea Party called on Gen. Chun Wednesday to dismiss Premier Yoo Chang Soon and three other ministers, alleging a government cover-up over the scandal. Opposition motions calling for Mr. Yoo's dismissal and for parliament to make its own investigation into the scandal were defeated in the National Assembly after a five-day special session on the affair.

Meanwhile, veteran politician Kim Young Sam, 54, who said in an interview with The New York Times that Gen. Chun would not last in office beyond the autumn, has been placed under house arrest and denied visitors.

Plainclothes security men and police had been stationed around his house in a Seoul suburb since Tuesday afternoon, his aides said. A guard post had been set up outside his house and all visitors were being turned away, they said.

Mr. Kim was the former leader of the New Democratic Party, which was dissolved. He and 566 other politicians were banned from political activity for eight years in November, 1980.

Chaudhry Elahi, Pakistani Ex-Leader, Dies

United Press International

LAHORE, Pakistan — Chaudhry F. Elahi, 78, a former president of Pakistan, died Tuesday, his family said.

Mr. Elahi resigned the presidency in September, 1978, in a dispute with Gen. Mohammed Zia ul-Haq, the martial law leader, who had led a coup against Prime Minister Zulfikar Ali Bhutto in 1977.

Mr. Elahi, an attorney and long-time politician, became speaker of the Pakistani Parliament in 1972 and was elected president in 1973 under a new constitution later dropped by Gen. Zia. He remained president until his resignation in 1978.

Bernie Lay Jr.

WASHINGTON (WP) — Bernie Lay Jr., 72, a former military pilot and a screenwriter whose films include "I Wanted Wings" and "Twelve O'Clock High," died May 26. Mr. Lay earned Academy Award nominations for the screen-

plays for "Above and Beyond" and "Strategic Air Command."

Doris Leslie

LONDON (AP) — Doris Leslie, 80, an English novelist and biographer, died Monday. She was known mainly for her biographies, beginning with "Royal William," a study of King William IV published in 1940.

Antonin Snejdarek

PARIS (IHT) — Antonin Snejdarek, a Czech historian, resistance leader and foreign policy adviser who became a professor of history and political science at the Sorbonne after fleeing Czechoslovakia in 1968, died last Friday.

He was a leader of the anti-Nazi resistance in western Bohemia during World War II. As foreign policy director in the Central Committee of the Czechoslovak Communist Party during the "Prague

spring" of 1968, he was a top adviser to the party leader, Alexander Dubcek.

Levio A. Pellegrinelli

KNOXVILLE, Tenn. (AP) — Levio A. Pellegrinelli, 91, an Italian-born sculptor whose work appears in the National Gallery of Art in Washington, died Saturday.

Moteyus Y. Shumauskas

MOSCOW (UPI) — Moteyus Y. Shumauskas, 77, former deputy chairman of the Supreme Soviet, has died after a long illness, Pravda said Monday.

Carlo Mauri

LECCO, Italy (UPI) — Carlo Mauri, 52, a noted Italian mountain climber and explorer, died Monday. He had explored the Antarctic and the Amazon, and retraced Marco Polo's route to China.

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circuits, the 60° V6 engine, independent suspension, disc brakes. Even the "grand tourer" concept. All these, and many other developments, stem from Lancia's continual search for innovation and improvement and the desire to provide the ultimate in driver satisfaction. Every Lancia has front

wheel drive for superior handling and road holding. For twenty years this has been a feature and this experience puts Lancia ahead of other manufacturers in this field. Every Lancia possesses exhilarating acceleration and can sustain its performance all through the rev range and at high speed.

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Herald Tribune

Published With The New York Times and The Washington Post

The Negotiating Partner

Ronald Reagan left for Europe Wednesday after smoothing his way with his weekend pledge on SALT-2. This is, of course, the "fatally flawed" treaty whose ratification he labored mightily to block. Now he finds it useful, if only to calm down critics.

It is, nonetheless, good to have a presidential reaffirmation of SALT-2. The reason is not simply that it will reassure the allies. It is also that Mr. Reagan's START proposals will require major policy changes by a Soviet leadership in the throes of a succession, and will take years to negotiate as well. In the interim it will be essential to have as many useful understandings and agreements in place as possible between Moscow and Washington. The question is whether the president has done as much for himself in this connection as he should.

He has matched Leonid Brezhnev's pledge to respect SALT-2 if the other does. That presumably means the two countries will not build weapons that the treaty prevents them from building. But, by not ratifying, Mr. Reagan evidently loses the provision requiring the Soviets — but not the Americans — to reduce by 10 percent their missile launchers and heavy bombers. He apparently also loses use of the treaty's verification panel to check on Soviet performance.

By bowing to "existing strategic arms

agreements" — a foggy formulation — Mr. Reagan evidently means to avoid being pinned down on whether he will continue respecting the 1972 ABM treaty limiting defensive missiles. The significance of this is that "Dense Pack," the latest proposal for deploying the MX missile, entails a defensive system that violates it. From that formulation, furthermore, the president excludes two other agreements, the threshold test ban and peaceful nuclear explosion treaties, signed in the mid-1970s but never ratified. His arms control chief, who came aboard favoring early ratification, reports that new resistance has developed in the Pentagon.

Take these unfulfilled arms control agreements, throw in assorted unratified human rights treaties and the unsigned law of the sea, and you have a country with a richly earned reputation as an unreliable negotiating partner. Other countries may have their own reasons for staying at the table, but the recent American record has got to make prospective partners wonder about the wisdom of investing the time, energy and political capital it takes to deal with the United States. The only consolation is that it is hard to imagine any past or future treaty that Mr. Reagan would send up to the Senate that would not be approved in a snap.

THE WASHINGTON POST.

Long-Term Interest Rates

Have sky-high interest rates stopped you from buying a home or investing in a business? Join the frustrated crowd. The price of money may be America's hottest political issue, overshadowing even unemployment.

Yet, strangely, the Reagan administration has failed to take a simple noncontroversial step to ease the squeeze. By reducing or eliminating sales of long-term government bonds, the Treasury could reduce long-term interest rates by as much as a percentage point.

Uncle Sam finances much of the budget deficit by selling IOUs to the public. Most of this trillion-dollar-plus debt consists of short-term securities, with maturities of a few years or less. But for the last seven years the Treasury has been pursuing a new strategy, selling disproportionate amounts of securities with terms of 10 years or more. In 1975 the average federal bond matured in two and a half years. Today the average term is four years, and if Secretary Regan does not change course that figure will keep rising.

The term structure of the federal debt has never been seen as a big-league issue. When Treasury technocrats argued that longer terms would make life more convenient by reducing the portion of the total debt that would have to be refinanced each year, Congress yawned — and assented.

Now the Treasury is back on Capitol Hill,

asking permission to sell bonds of whatever term it pleases. The current plan calls for adding \$16 billion in new long-term debt. But this time some congressmen want to examine the possible adverse consequences. According to Benjamin Friedman, a Harvard economist, these could be substantial.

Suppose, he argues, that the Treasury had sold fewer long-term bonds in the 1970s and had financed the deficit instead with IOUs of just a few months' duration. More long-term funds would have been freed to build factories and homes.

For every \$1 billion of debt thus shifted, Professor Friedman estimates, long-term corporate bond rates would have fallen by one-quarter of 1 percent, and stock market prices would have risen by 2 percent. By similar calculations, a policy of issuing no new long-term federal bonds would cut today's long-term rates by about one percentage point.

"Shortening" the debt is no panacea: It would modestly increase short-term rates. Only a cut in the deficit or a shift in the Federal Reserve's anti-inflationary stance is likely to bring all interest rates down sharply. Still, it is odd that an administration that wants so much to stimulate a boom in private investment has neglected to notice the effects of its own debt-management policy.

THE NEW YORK TIMES.

Other Editorial Opinion

Discordant Voices at Versailles

There is no doubt that much of the trouble results from the Reagan administration's hawkish foreign policy and tough economic policies. But also contributing to the divisions is the swelling anti-bomb movement in Europe and disputes over economic sanctions against the Soviet Union. And the Falkland Islands war will cast a shadow.

Almost certainly, sky-high interest rates in the United States will draw severe censure at Versailles. All countries are losing patience on this problem and also are growing dissatisfied with the U.S. hands-off policy toward the high exchange rates for the dollar.

We want the United States to announce a timetable for bringing down the excessively high interest rates. The United States should be aware by this time that it is not in its interest to continue to antagonize its allies.

At the summit, opinion will be split over whether stress should be given to overcoming the unemployment problem or to dampening inflation. France, Italy and Canada give priority to the unemployment problem, while the United States and Britain feel it is more important to combat inflation. The summit must face the fact that to solve the problems of unemployment and inflation, the world economy must be revitalized.

Trade friction with the United States, although still present, has subsided with the announcement by Japan of its second package of measures to open its market. Washington's high appreciation of the package seems to be a signal to Japan that the United States seeks its cooperation at Versailles.

— From The Daily Yomiuri (Tokyo).

The Equal Rights Amendment

Less than a month remains for ratification of the equal rights amendment. There are practical as well as philosophical reasons for passing this amendment — reasons that have long been debated. Women's pay still lags in comparison with that of men, women still face inconsistent state laws on community

property, and women still do not have clear protection under the 14th Amendment.

Only too recently, the Reagan administration's dismantling of affirmative-action programs has demonstrated the need for a firm statement of national policy on discrimination against women. Without such a policy, it will be much more difficult for women to be taken seriously as they seek to make economic and political gains.

Only a handful of state legislators stand in the way of approval of a measure that legislators representing 70 percent of the American people have already ratified.

— From the Los Angeles Times.

Pride's Stakes at Stanley

In these hazardous weeks of pride and of sacrifice, all the dreary years of enfeebling neurosis have slipped away from our country. Our brave men, liberating Port Stanley, could do far more than free a village on the edge of the Antarctic from foreign occupation. They could free Britain from self-doubt.

— From the Daily Mail (London).

About a Controversial Lady

Mrs. Jeane Kirkpatrick, the American ambassador to the United Nations, is not without certain qualities. She is intelligent, aggressive and outspoken. She is also an undoubted expert on Latin American politics — a subject of some importance and complexity which has rarely received the attention it deserves. She is also insubordinate, conceited and myopic. In short, like so many academics, the lady is a clever fool.

Since the eruption of the Falklands crisis she has played an extraordinary role. President Reagan is not a man to whom the ruthlessness essential to high office comes easily. It is worth remembering, however, that when Andrew Young, another maverick ambassador at the UN, went too far (by fraternizing with representatives of the Palestine Liberation Organization), President Carter sacked him without a moment's hesitation.

— From the Daily Telegraph (London).

June 3: From Our Pages of 75 and 50 Years Ago

1907: Negro Presence in Long Island

NEW YORK — Mr. Booker Washington, leader of the negro race in America, will become President Roosevelt's neighbor in Long Island this summer. The residence he has rented is in the midst of a fashionable colony whose members might not wish to have even so distinguished a negro family as neighbors; however, Mr. Washington's family has gone to Europe and he will devote the summer to the preparation of a book on the negro problem.

In London, Father Ignatius, preaching on living statuary, told his audience that its grandmothers would have been shocked at the very question of whether people should deliberately take off their clothes in public. The present tendency, he said, was a return to barbarism.

1932: Lausanne Economic Conference

LONDON — The Foreign Office is busy ascertaining the views of the other European governments regarding the economic conference proposed by the British. Regret is expressed in some quarters that, as a matter of general convenience and time-saving, the United States government does not seem disposed to send a delegation to the conference.

In Washington, leading members of the government have intimated that the United States would be willing to participate in a second phase of the Lausanne conference if the conference was transferred to London. A high official emphasized that the United States' participation at the London conference would not commit it to discussions of war debts or reparations.

Reagan's Grand TV Tour, 63 Years After Wilson

By James Reston

WASHINGTON — Ronald Reagan is off on the most spectacular Grand Tour of Europe since Woodrow Wilson led the victorious Allies to a disappointing peace conference at Versailles at the end of World War I.

As president and like Wilson,

he may look back on his results with regret, but for the time being this diplomatic adventure is an actor's dream. He is not only going back to the palace at Versailles, but will be performing, as well with the queen of England at Windsor Castle, the pope at the Vatican, and also to the strains of Wagner in the Rhineland and at

"the Wall" in Berlin. All this on worldwide television.

He was very careful to rewrite the script before he took it on the road. A year ago his foreign policy wasn't even playing very well in Peoria, and he did what they do in Hollywood: "Cut," he said, "let's send this thing back for repairs."

First he toned down the martial music. He eliminated some of the more provocative personal and theological lines about the Russians being liars and cheats who couldn't be trusted because they

didn't believe in God. Then he changed the cast at the National Security Council, and he persuaded Secretary of State Haig and Secretary of Defense Weinberger to sing "Hail to the Chief" in unison. And, presumably with the help of the surgeon general, he labeled all policies "Use only as directed," and all atom bombs "Smoking these instruments may be injurious to your health."

This has made quite a difference. A year ago he was insisting that he would not negotiate a nuclear arms agreement with the Russians unless they got out of Afghanistan and stopped leaning on the Poles, and until he had established a nuclear balance. Since then he has come forward with serious proposals for the control of intermediate nuclear weapons, and agreed to start talks with Moscow on strategic nuclear weapons at the end of June and meet President Brezhnev later in the year.

The Reagan administration is still not singing in complete harmony. Some of the old times keep creeping in, though in a minor key, and occasionally Mrs. Kirkpatrick tosses a chair out of the balcony. But for the time being the tour director has put to rest or at least modified the major criticisms leveled against him in Europe.

These were that he was not really in charge of his own foreign policy, and could not or would not choose between his divided advisers; that he was careless and even reckless in his undiplomatic language, and indifferent to the protests of the NATO allies.

Now there are mutterings among his old buddies on the right that he has indeed decided against some of their most vigilant anti-communist policies; that he is not only listening to the allies but that he has Europeanized, even almost

Cartezized foreign policy. How these changes have come about is a matter of speculation and controversy in Washington. I learn to the theatrical or sports manager's story that, if it isn't working, you change it. Also, sometimes spectacular summit meetings influence policies rather than the other way around.

The Reagan administration was at least partly responsible for the dramatic anti-nuclear demonstrations last year in Europe, as a result of its loose talk about nuclear

possibility of winning a nuclear war, and its tendency to see international conflicts mainly in military and anti-communist terms.

Had he faced the summit meeting in Europe this week without changing these themes, his trip would either have had to be canceled or he would have been opposed privately by the other allied leaders and publicly by great protest rallies in the streets. He chose to switch, although not really conceding that he has.

In doing so, he has not assured a welcome reception in Europe, for his economic policy with its high interest rates and unemployment is still an object of bitter opposition there, and he has been far less flexible in his domestic policies than his foreign ones.

During the reappraisal of his policies over the last year, at least some of his principal aides identified several reasons for the slide in the administration's public support. He has dealt effectively with some of the criticisms of his foreign policy but not yet with two issues on the home front.

These are that his economic policies favor the rich, and that his policies both at home and abroad have been losing the support of women voters. To deal with these two questions he will probably have to face the opposition of precisely those conservative

Reaganites who are still resentful of his foreign policy changes.

Yes, the White House staff is confident that this tour, with its television diplomacy and alluring stage settings, will enhance his personal popularity — and might even convince his Democratic opposition that it is better to compromise on the budget now and leave the main fight to congressional elections in November.

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Limousines at Versailles in 1919: President Wilson looked back on that conference with regret.

The American Position:

By Donald T. Regan, U.S. Secretary of the Treasury

WASHINGTON — The heads of state of the seven major industrial nations will meet in Versailles this week. The basic U.S. message to the summit will stress an open-marketplace philosophy.

This is the essence of the American ideal. And it is also the essence of President Ronald Reagan's approach to the international economy. We have urged, and we will continue to urge, a free and open international marketplace and a convergence of basic economic policies.

At the OECD meeting in Paris recently, there were worried projections that unemployment among the 24 industrialized member nations would approach 30 million this year. We pointed out that, with fully one-third of that total unemployment in the United States, we are just as deeply concerned as the rest of the world that we are just as dedicated to increasing real growth and employment.

If there are to be differences among the seven at the summit, they will not be over the fundamental objective of generating

real economic growth and more employment worldwide. A divergence of views — if there is to be any — will be over the best means to achieve that end.

The U.S. view of the best means is based on our understanding of what produces prosperity in the first place. The public sector cannot make the economy grow, but it can set the kind of policies that will allow it to grow. That distinction is vital.

This means, in the international context, continued reduction in trade barriers. With any recession come the inevitable domestic pressures for protectionism. We are resisting those pressures at home, and are urging our trading partners to resist them as well. Protectionism is not among the policy instruments that allow true economic growth to occur.

Fortunately, there is a broad international consensus for this view. Two weeks ago in Helsinki, the 22 nations of the IMF Interim Committee formally emphasized their common conviction that current pressures for protectionism "must be firm-

ly resisted by all countries." They also spoke of a need "to eliminate these practices where they already exist."

This also means that there is a need for international guidelines on foreign investment, as there are guidelines on trade under GATT, to ensure an open climate for capital flows and investment.

The continued use of high and in some cases predatory government subsidization of export credits may result in short-term gains for selected companies, but it is at the long-term expense of the world trading system on which we are all increasingly dependent. The United States will continue to press for agreement on further reductions in official export credit subsidies.

Last, there have been repeated suggestions for the U.S. government to "intervene" in foreign exchange markets: to buy and sell currencies to "smooth out" the market and help get various currencies to their "proper" equilibrium. How any government is to determine a priori what are the "proper" exchange rates is a question that the critics never quite answer.

Foreign exchange rate trends are, by and large, the products of fundamental forces at work in a truly enormous market. The exchange markets handle as much as \$40 to \$50 billion each day. We believe that, except in cases of a truly disorderly

market, government intervention is futile. In some cases it is even counterproductive.

However, while I was in Europe I proposed that a joint international study be undertaken to examine carefully — in some cases, re-examine — the broad effect of government interventions in that market. We have initiated the idea of the study and we hope that other nations will join us in taking another look at the evidence.

It is essential that we work cooperatively toward a "convergence" of basic economic policies among the major industrialized countries, designed to achieve higher employment, lower inflation and higher growth. If, within a team of horses, one is trying to gallop, one is cantering and another is in a slow trot, there will be all kinds of problems. There will certainly not be a smooth, mutually reinforcing effort.

Similarly, severe economic dislocations and inefficiencies will occur if some countries are pursuing high inflation, high-protectionist policies while others are pursuing low-inflation, open-market policies.

Code phrases at Versailles will include "convergence of economic policies." That means trying to get all horses running at similar speeds. Convergence should bring lower interest rates, greater exchange rate stability and more prosperity for all.

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In the Finest Spirit of Democracy, Government Is Slowing Down

By William Pfaff

WASHINGTON — The United States in recent years, in the finest spirit of democracy, has been making itself an increasingly ungovernable country. Nothing important is decided without exacting and costly litigation.

Everything controversial is challenged in law and appeal. This is admirable in theoretical justice, but not so wonderful in effect, contributing to what might be called the Balkanization of the United States.

The president increasingly resembles a baroque emperor, a latter-day Hapsburg, ineffectually reigning over the equivalent of irreconcilable provinces, insurgent private and corporate interests, and moral and ideological communities. Ferociously intolerant of one another, they might say of Washington today what A.J.P. Taylor wrote of Hapsburg Austria: "grandiose, full of superficial life, yet... theater, not reality."

In part this results from the faltering American sense of what Americans should want from the world, and even from life itself, where a hedonism and the old puritanism hopelessly struggle with one another, and even come to take on each other's qualities, so that self-indulgence is made obligatory and joyless. The unreality also results from more tractable and tangible political changes, which might be reversed, if people wanted them reversed.

For one thing, power in Washington is much harder to get a grip on than before — harder to use. Congress now is tremendously but irrelevantly powerful, with staffs vastly increased from what they were 10 years ago. It is negative, not positive, power.

Congress is good at keeping the executive branch of government from doing what it wants to do. It even stops it sometimes from doing what the executive thinks is already settled, since the process for amending legislation now can all but totally obscure or alter what the original law was supposed to be about, even, sometimes, producing the opposite result from what had been intended.

Talk in Washington is all of frustration. There has been a huge transfer of effective power from executive to legislature as a result of the Vietnam War and of Watergate, reinforcing the obstacles to action which are written into the constitutional system, in which the three independent branches of government check one another and the political parties have no means to discipline their legislators.

The U.S. method of government

has always been inherently less powerful than European parliamentary systems. With a disciplined majority in parliament, a European government can do pretty much what it wants.

In the United States, a president must construct new majorities in Congress on each new issue of law, and has to rely on individual political persuasion and threat when what he sees as the national interest conflicts with the local, or with what one or another special interest group wants. Some have been masters of this, such as Franklin Roosevelt and Lyndon Johnson, and some, like Jimmy Carter, have been disasters.

President Reagan seemed to have recaptured a measure of lost executive power last year because of his personal persuasiveness among senators and members of the House; but that now proves to have been ephemeral. He is an undeniably nice man and was popular with the public, so Congress let him have his way for a time. He is not so popular now that his economic policies have not produced results, and he himself has shown how really substantial his ideas are about where the nation stands and what he is about.

The distribution of congressional power is dispersed, horizontal. There is no longer a structure to it because the hierarchy provided by the old seniority system has been discarded. The seniority system was unfair; it disregarded merit and rewarded senility, and gave the old one-party South disproportionate power. But it worked.

At least it worked better than Congress works now. Leaders were in a posture to control the work of Congress, rewarding the cooperative and punishing the wicked. Lyndon Johnson, when he was Senate Democratic leader in the 1950s, and Sam Rayburn in the House were the last of their kind.

The spectacle for people who have not spent time in Washington for more than a decade is quite the reverse of before. Then it seemed the seat of juggernaut power, rolling over opponents; not entirely in the control of the people who thought they were in charge, but unmistakably a purposeful force in the world, to be reckoned with.

Now it seems as if blocked from effective action, burned up by domestic controversy. The papers and television obsessively describe maneuvering within Congress and the agencies of government, examining personalities and speculating upon their favor and fortune, and upon the moods of the president and his close advisers.

But these are the obsessions of a court. There is a striking lack of serious political ideas and of serious discussion among the holders of formal power, and among those who write about power.

The Zionist Theodore Herzl said in Vienna at the turn of the century that "all activity of men begins in dream and later becomes dream once more." One problem of the United States today is that the mechanisms of government, cumbersome to begin with, have been worsened through reform. A second is that no one any longer has a positive idea where to go. Gravity is overcome by movement; for the present, Washington is drawn down, to private and selfish interest, sectarian quarrels, theatrical gesture in place of reality.

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"Who do you think is gaining power in the U.S.?"

LETTERS TO THE EDITOR

Jordan's Stewardship

It is astonishing that Jordan, of all countries, should take the lead in pressing for a UN resolution charging the government of Israel with conspiring to desecrate Arab holy sites. During the 19 years that the Jordanian government occupied East Jerusalem and the West Bank, that government in a planned, systematic, officially inspired campaign razed all but one of 74 Jewish synagogues (some of them centuries old) that had graced the Old City until the Jordanian conquest in 1948. Hundreds of Scrolls of the Law, revered and preserved for generations, were burned. Thousands of sacred books were burned.

Under Jordanian rule 38,000 of the 50,000 tombstones on the Mount of Olives were vandalized or stolen, many of them winding up in the Jordanian Army camp

in Bethany, where they were used as building material in barracks, retaining walls, paths, and latrines. Although the camp, which was designated as a holy site by the Ministry of Religions, has been allowed to fall into disrepair, it can be viewed today.

ELIEZER WHARTMAN, Jerusalem.

Mobutu's Gains

Regarding "Mobutu, Dictator and Ally" (121 May 12): Will the almighty CIA who put Mobutu into power please make sure that he is not killed when they finally decide to topple him. The price of keeping him alive and free should be that he return all his ill-gotten gains to his country's coffers.

Greedy and morally bankrupt dictators like Mobutu and Somoza before him should not be allowed

to live or die with all that money stashed away. They should be stripped of all their ill-gotten gains and reduced to the degrading and penurious state in which their lust for money and power has left so many of their countrymen.

Paris. O. ABODERIN.

Important Debate

Aware of today's critical world situation and having recently noticed the important debate in your "Letters" section, I feel compelled to join it. I am strongly in favor of the replacing Dr. ex-Morgan with a less soapy strip; moreover, I feel that the painfully unfunny "Blondie" needs to be replaced, even more urgently. Two good, modern alternatives would be "Tank" and "Shoe."

JOHN DONALDSON JR. Paris.

Herald Tribune

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ARTS/LEISURE

Children's Nuclear-War Fears

By Olive Evans
New York Times Service

NEW YORK — As children are increasingly exposed to images of nuclear war on television and in print, parents, teachers and mental-health professionals are being confronted with the psychological effects of those images.

Some typical fears of young people were expressed at a recent meeting of Future Generations, a youth organization in New York that opposes the nuclear-arms buildup.

Susan Markowitz, a 12-year-old student, was talking about the first time she became aware of the possibility of nuclear war. "At the beginning of this year when the class started reading articles," she said, "I got very frightened that the world could blow up."

Rachel Dretzin, 16, said she thought her schoolwork had been suffering lately and said she frequently had nightmares. "Last week I dreamed that a bomb went off in my kitchen and there were bombs all over the house," she said. "When I walk in the street, I look at things and imagine what would happen if they just disappeared."

As the discussion continued, fear was mentioned in the context of the future. "If I wanted to have children, I'd want them to have a chance to live," said Arielle Eckstut, 11.

"If there was a nuclear war in my lifetime," said Susan Markowitz, "and I lived through it and I would have to live in a cement box, I just wouldn't want to have a family."

"It seems bad," said Tijuana Jackson, 12, "because we're little children and we didn't have any fun yet."

The psychological impact on children and adolescents of "living in a world where thermonuclear disaster is a constant threat" was the subject of a just-published study conducted between 1978 and 1980 by the American Psychiatric Association.

The results, described by Dr. John E. Mack, a professor of psychiatry at Harvard Medical School, in the April, 1981, issue of The Bulletin of the Atomic Scientists, indicated that among 1,000 Boston, Los Angeles and Baltimore grammar and high-school students, "the implicit threat of nuclear annihilation has penetrated deeply into their consciousness" and affected their attitudes toward the future.

"I see children as growing up in our society with a kind of double image or double life," said Dr. Robert Jay Lifton, a professor of psychiatry at Yale University Medical School. "They grow up with the usual mixture of a sense of security and elements of insecurity and expect to live out their lives in traditional fashion. But they have another mind-set that includes the possibility of everything, themselves and their parents and everyone they have known or touched, being suddenly annihilated."

Common Reaction

Anger is a common reaction to this uncertainty about the future.

Fourteen-year-old Marc Auerbach, described at the Future Generations meeting his reaction to a recent television program: "This guy from the emergency management something or other said nuclear war would be a catastrophe but it wouldn't be unmanageable. I nearly threw something at my TV set. Here was this guy, 55 or 60 or so, and he has lived his life, and he has the nerve to say that a nuclear war in which I would probably die would be manageable."

If anger and fear remain unspoken, other behavior may express a sense of impermanence. "Young people may go in for things that have immediate rewards, that are meaningful to them right now," said Dr. Sibylle Escalona, professor of psychiatry at the Albert Einstein College of Medicine. She mentioned drugs and alcohol as "classic examples of doing something that is exciting right now and is not a part of reaching a future goal." The interest in mysticism and the occult among older teenagers, she said, may also signify a lack of confidence in the real world.

"Students have been bringing a lot of fear into the classroom in the last year," said Roberta Snow, a teacher at Brookline (Mass.) High School and president of the national board of Educators for Social Responsibility.

How to talk to children about the issue of nuclear war, in the classroom and at home, was an issue raised at a recent meeting of about 150 teachers and parents at the Little Red School House in Greenwich Village. It was sponsored by Parents and Friends for Children's Survival, which, according to Sue Young, a board member, is "an anti-nuclear-war group that has become concerned with the psychological well-being of children."

"I want to encourage children to express their fears," a teacher said, "but how am I going to present the concept of nuclear war to my class?"

"We should point out how people have always solved problems throughout history," another teacher replied. "You have to treat children like competent thinkers."

"I've never heard my kids talk about nuclear bombs," a mother said. "Should I bring it up with them?"

"In a way it's a little like sex education," said Florence Volkman Pincus, a professor of psychology at City College in New York. "You can't introduce the subject out of the blue. You have to first find out what they know."

Questions About Death

A father addressed a more basic issue, "How do you deal with kids' questions about death in the context of nuclear-war death?" he asked. A silence descended on the meeting hall.

"Just as a kid is struggling with the idea of death and the truth that death is final," said Lifton in a subsequent interview, "the child is exposed to images of extinction through the media. In that way the



Tijuana Jackson, 12

Joe McNulty, The New York Times

"I just want to grow up."

idea of death becomes confused with massive death instead of the appropriate idea of older people dying first.

"And where there is great difficulty in absorbing the idea of death, there is parallel difficulty in living a full life."

At the Little Red School House meeting, Eva Hanhardt, the mother of children ages 6 and 9, told how she had handled the subject.

"On a number of occasions my 6-year-old has said, 'There is going to be a war and we'll be killed.' I tell her it's not inevitable, that people can do something. I've taken the children to demonstrations. They see other people there and feel that their presence is helping."

The idea of helping was taken a step further by some children in Plainfield, Vt., a year or so ago. "We'd been talking about the ne-

clear arms race and how terribly dangerous it was," said Nessa Rabin, 13, who is on the planning committee of Children's Campaign for Nuclear Disarmament. "We said, 'We can't just sit around talking about it.' So we came up with the idea of collecting letters to the president from kids."

"If children realize that they and other people are attempting to do something about this, they will feel less fear," said Dr. June Jackson Christmas, a psychiatrist who is professor of behavioral science at City College and was commissioner of mental health for New York City from 1972 until 1980. "I think that the letter-writing and the petition-signing show that we're doing something."

Or, as Arielle Eckstut said, "A lot of adults just ignore it. And the kids build up, because if you don't know what's happening, it just gets more and more scary."

A Bland Staging of 'Hedda Gabler'

By Sheridan Morley
International Herald Tribune

LONDON — By the bad luck of the West End draw, a new and worthy but immensely dull Susannah York "Hedda Gabler" has ended up at precisely the same theater, the cavernous Cambridge, which was a decade ago electrified by Maggie Smith in Ingmar Bergman's classic production of this same play. Try as one may, it is impossible to banish the echoes of that other "Hedda"; though there have been many since, some much worse than the current one and a few rather better, it is still the Bergman version that illuminated the manuscript and not only in that melodramatic moment when Hedda is actually burning it.

What we have here is a brisk, cool, but curiously undramatic center through the text put together by Donald McWhinnie in a regional rep tradition of about the middle 1950s. York offers us neither Hedda the ice queen boring herself to death nor Hedda the demon lover luring Lovborg to his doom. Instead she glides through the drama as if on roller skates, central to the events around her, yet not of their making, so that final suicide is no more than the social inconvenience complained of by Judge Brack in the curtain line.

This therefore becomes Brack's evening: in Tom Baker's sinister, manic turn it is he who holds center stage, he (far more than Tom Bell's unpoetic Lovborg) whom one expects to see wearing the vine leaves in his hair, he who finally galvanizes this production into some sort of life. Inna Hand also does a remarkable scene or two as the old aunt, conceiving her as a sort of Norwegian Miss Marple on the prowl. Elsewhere the casting is fatally bland — this must be the first "Hedda" of recent times in which Tesman and Lovborg have been virtually interchangeable.

Meanwhile out in West Sussex, Patrick Garland's Chichester is es-

tablishing itself as the showbiz answer to Glyndebourne; two of last year's four shows were new musicals and this year we are already getting a return to "Valmouth," Sandy Wilson's long-lost classic of the late 1950s in its first stage revival. Classic in score, that is: No musical written in England in the 30 years that separate Coward's "Bitter Sweet" from Lionel Bart's "Oliver" has a more impressive sequence of numbers from the title song through "Magic Fingers" and "Big Best Shoes" all the way to the "Cathedral of Clemenza" and "I Will Miss You."

The trouble, now as during the original and all-too-brief London run 20 years ago, is of course the book; though the composer has brought in Cardinal Pirelli from an altogether different novel to boost the second half, plots were never Ronald Firbank's strongest suit, nor indeed, have they been Sandy Wilson's, as any synopsis of "The Boyfriend" might indicate.

What we get therefore are some marvelous characters and some superlative songs in search of a central focus; the dialogue, especially when spoken by Fenella Fielding, who is now so far over the top as to be almost out of sight, sounds like Evelyn Waugh rewritten by Oscar Wilde and you can't ask much more than that when dealing with high-camp Catholicism run riot.

But in treating it as a minor and eccentric spa opera that had best be left to sort itself out, John Dexter has failed to give the show the shape it needs if it is not to subside into a baroque shambles. The scenes involving Mrs. Hurstpi-erpoint and Mrs. Thoroughfare, for instance, need to be played as swiftly and precisely as the tea-party sequence in "Pygmalion"; if, as on the first night, they are played through a fog of uncertainty, and if Sir Robert Helpmann as the cardinal is so badly miked that he looks like a ventriloquist who has thrown his voice and failed to

get it back, then clearly there's a lot more rehearsing to be done. But when it is done, in there somewhere remains a magical entertainment.

"Valmouth" has many problems in terms of a new lease of London life, not least the fact that it is a big musical (a cast of 20, orchestra of six stuck up a palm tree) in need of a small theater. But Ronald Firbank himself was a master of the unlikely ("Order me," he once commanded Sewell Stokes while they were supposed to be having tea in a Lyons' Corner House, "herons' eggs whipped with wine into an amber foam") and it would be lovely if this unluckiest of musicals, complete with Bertie Reading dressed like a driver-operated bus and Doris Hare as the 120-year-old Granny Tooka, could reach a mass audience. Where else in the world but in "Valmouth" do people amuse themselves by snacking the hermaphrodite?

To get back to a kind of reality, the Manchester Royal Exchange, (as part of its exchange program with the Milwaukee Repertory Company) is currently reviving Sidney Kingsley's "Detective Story," the play that did for New York cops much what "The Front Page" did for Chicago journalists. Thirty years after its first production, this long saga of cops and robbers, spread over three acts during a single night in a precinct somewhere downtown, looks both crowded and cumbersome; but it was here that every television crime show from "Naked City" through "Kojak" to "Starsky" started, and for that reason alone the play is worth another look. Neither the director (John Dillon) nor the star (Daniel Mooney), who have come over from Milwaukee, seem at home with the circular surroundings of the Royal Exchange, however, and memories of the definitive Kirk Douglas movie are best forgotten.



Susan Markowitz, 12

Joe McNulty, The New York Times

"We're just one world."



Marc Auerbach, 14

Joe McNulty, The New York Times

"I'm optimistic."

A California Zinfandel

By Terry Roberts
New York Times Service

HEALDSBURG, Calif. — The vine stalks are old and gnarled, like the trunks of trees, some of them as thick as a man's thigh, and they date back to the turn of the century. They are brittle with age and sometimes crack when bumped by a picker. Because the vines are so old, the grapes yield only miserly amounts of juice, but it is very concentrated juice, and the wine that results is intensely rich and spicy, the quintessential zinfandel of California.

The vineyard consists of only 50 acres lying here in the Sonoma Valley, and it is the primary source

for the zinfandel grapes of the Lytton Springs Winery, a modern structure that stands among the vines and keeps winning prizes year after year for the high quality of its production.

Berry Quality

The Lytton Springs wines have what is called berry quality, meaning that the texture and intense flavor of individual grapes can almost be sensed in the mouth. The fruit is full and rich and generous, yet the wine is completely dry and tastes astringent when drunk too young, before it is four or five years old.

It is a style of zinfandel made less and less often in California these days, largely for economic reasons. Old vineyards are usually replanted with new vines yielding two or three times as much grape tonnage. Greater tonnage usually means lighter wines of less intensity and character.

Bura (Walt) Walters, a former Navy cook who is the wine maker and part owner of Lytton Springs, is committed to the old vines and their modest yields. "I tried making it with younger vines and you just don't get the complexity," he says in the drawl of his native Mississippi. "You get zesty wines."

23 Years in Navy

Walters spent 23 years in the Navy. "I'm not an oenologist," he says. "I pray a lot and I lose a lot of sleep." Unlike many other modern wine makers, he did not study for an oenology degree at the University of California at Davis. "I went to a three-day seminar at Davis once," he says, "but mainly I listened to the old Italians around here. I kept my eyes and ears open and I learned."

He wears green work clothes and is tall, lean and weatherbeaten. Now 51, he did not make his first commercial wine until he was 45. The Lytton Springs 1975 won a bronze medal at the Sonoma Harvest Fair, "the first commercial wine I ever made," he says.

After retiring from the Navy in 1970, he joined with Richard Sherwin, a California businessman, and began planning the Lytton Springs operation. The vineyard was purchased in 1971 and the equipment for the winery was bought secondhand in 1974 from a bankrupt producer in Denver.

Began Production in 1975

In 1975 they hauled some of the equipment up to the Vina Vista Vineyard in Geyserville, another Sonoma wine town, and began production of Lytton Springs wine there on a modest scale. Meanwhile, Ridge Vineyards was purchasing the bulk of the Lytton Springs grapes and using them to make its own wines.

Paul Draper, the Ridge wine maker, had built a reputation for making some of the best zinfandels in California and the Ridge bottlings bearing the Lytton Springs designation on their labels were sought by zinfandel devotees. The Ridge Lytton Springs 1974 was a classic.

"Paul Draper put us on the map," said Walters. Meanwhile, Walters was learning wine making at Vina Vista. He made 600 cases of wine there in 1975 and 822 cases in 1976.

A year later the winery at Lytton Springs had been completed. "I pulled my gear out, brought my equipment down here and was going full bore in '77," he says. The last Lytton Springs vintage bottled by Ridge was the 1976.

Last year the production of Lytton Springs Winery totaled 6,000 cases and this year there will be 7,000. The yield from the old vines is a meager one and a half tons of grapes an acre, compared with the five tons or more that other zinfandel vineyards typically produce.

"Of all large airlines Lufthansa operates the youngest fleet of planes."

Der Spiegel (Hamburg) 19.1.1981



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Club Zero



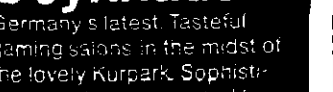
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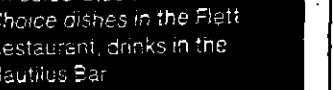
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daily from 3 p.m.



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Important Date

June 3, 1982

INSIGHTS

Reagan's Goals for Versailles Conference: Liberalization and Growth in World Trade

By Axel Krause

International Herald Tribune

PARIS — The Reagan administration will firmly press its allies at the conference in Versailles to make tangible progress on what it regards as a key ingredient of the West's economic recovery — trade liberalization.

This may prove to be one of Washington's most difficult tasks of persuasion during the behind-the-scenes negotiations at the economic conference, according to U.S. and West European analysts. The conference starts Friday.

The dilemma facing the administration is that the U.S. initiative occurs while the world's economic system is strained by stagnating industrial output, growing protectionism and controversy over the effectiveness of multilateral organizations.

The tensions are being exacerbated by acrimonious hickering between the United States, the European Economic Community and Japan over access to one another's markets.

Volume of Imports

Meantime, according to most government and private forecasts, the volume of world imports in all goods and services will probably not rise by more than about 3.5 percent during 1982, after having climbed by less than 1 percent last year.

"The present state of world trade is at its gloomiest since the war," said Sir Roy Denman, the EEC's director-general for external affairs.

In varying degrees, the 10 Common Market nations are mildly supportive or skeptical of the U.S. initiative, which will be presented during the meetings. Japan, another key participant, is noncommittal.

"Washington is determined to propose steps aimed at expanding trade in areas it regards as important — we are frankly skeptical about this being the moment, or the way, to get out of the present crisis," said a West European official who declined to be identified.

Emphasizing that EEC unemployment is approaching 11 million and that the community is running substantial and growing trade deficits with both the United States and Japan, the official noted that key member states — mainly France — are understandably cool to Washington's other major trade-related proposals, notably those affecting East-West trade.

The notable source of simmering transatlantic controversy — and emerging debate at Versailles — is the U.S. drive to tighten the terms of export credits to the Soviet Union.

"We expect to be talking quite a lot about trade at Versailles, and there should be some hard bargaining on these issues," said a senior EEC official, who also declined to be identified.

Setting the tone for the administration's approach to trading with non-Communist nations, President Reagan recently told several West European journalists in Washington that "you can't correct unemployment unless you correct the problems that have caused a virtually worldwide recession, and these have to do with trade, imports and exports."

More specifically, the administration will be seeking a commitment from its allies to renew their endorsement of the multilateral trading system and to pursue reduction of barriers in several key sectors: the fast-growing service industries, high technology and investments in foreign countries.

Each of these sectors are expanding swiftly, representing billions of dollars in annual turnover, and in each the United States is a leading force.

The administration is hoping that participants will strongly and formally back its proposals and agree to place them on the agenda of a ministerial meeting on trade being organized by the Geneva-based General Agreement on Tariffs and Trade in November.

Congressional Hearing

"We are desperately close to undoing the multilateral trading system, and either we improve it and strengthen its capacity to resolve problems or risk its deterioration," Robert D. Hormats, assistant secretary of state for economic and business affairs, said during a congressional hearing in Washington last week.

"The ministerial meeting of the GATT this fall is an historic opportunity to address the trade issues of the '80s," Mr. Hormats added.

Already a wide range of steps and studies are under way to prepare future liberalization of trade in goods and services. According to officials recently interviewed in Paris, Brussels, Geneva and Washington, these include the following:

- The Organization for Economic Cooperation and Development obtained approval at its annual ministerial meeting in Paris last month to accelerate detailed analyses of the obstacles to trade and investment in high technology, services, agriculture and other forms of restrictive business practices.

- The OECD strategy is to prepare the groundwork for the GATT ministerial meeting among its 24 members during the next few months. "We are still not sure how the Geneva meeting will work and the role of the developing nations, so we will keep the work here for the time being," a senior OECD official in Paris said.

- In Geneva, GATT officials are actively preparing the ministerial meeting scheduled for Nov. 22-26 in which many of its 87 member nations will participate. A draft statement of objectives and a tentative agenda will be circulated this summer, aiming at substantially reducing worldwide barriers to trade in goods and services.

"A strong push from the Versailles summit could have considerable, positive fallout for our ministerial meeting and trade liberalization generally," a senior GATT official said.

- Japan's latest effort to appease its Western trading partners with a package of tariff reductions and other measures designed to encourage imports is still being viewed with skepticism by senior U.S. and EEC officials. But officials regard the effort as politically significant, which will help ease pressures on Japan during the Versailles conference and beyond.

"The Japanese move is significant and will help establish momentum for others — we hope," said a senior U.S. official participating in the meetings.

- The International Chamber of Commerce in a statement issued Tuesday urged the participants to "put their collective political weight behind efforts" to strengthen the GATT and to avert what the chamber termed "a trade conflict that would jeopardize chances for world economic recovery."

Both GATT and the International Chamber of Commerce have reported record numbers of cases of violations of long-established trading rules, and no easing of protectionist pressures

is in sight, officials said. "The only really optimistic sign these days is that governments are intensifying their contacts and are talking more about solving trade problems," the GATT official said.

Not Equipped to Cope

Some independent economists believe that the multilateral agencies are not equipped to cope with growing protectionism, particularly trade barriers established domestically in the form of subsidies, tax advantages, discriminating testing procedures and other forms of what have been called "distortions — behind the borders."

"GATT, which is supposed to be the guardian of the trading system obviously is not able to cope effectively, and OECD apparently is being reduced to a role of study of reflection," said Albert Bressand, deputy director of the French Institute for International Relations.

Mr. Bressand, author of a report on the state of the world economy published by the institute last week, said that he was not particularly hopeful the Versailles conference would make significant headway on trade liberalization. "There apparently is little political will for an overall international strategy among the allies," he said.

West Germany's economics minister, Otto Lambdordt, is among those particularly troubled by what he recently termed "massive" promotion of international competitiveness of selected branches of industry. Although he and other officials hardly ever cite the countries they refer primarily to France's growing government financial support for its nationalized industries and to Japan's traditional aid to its industries.

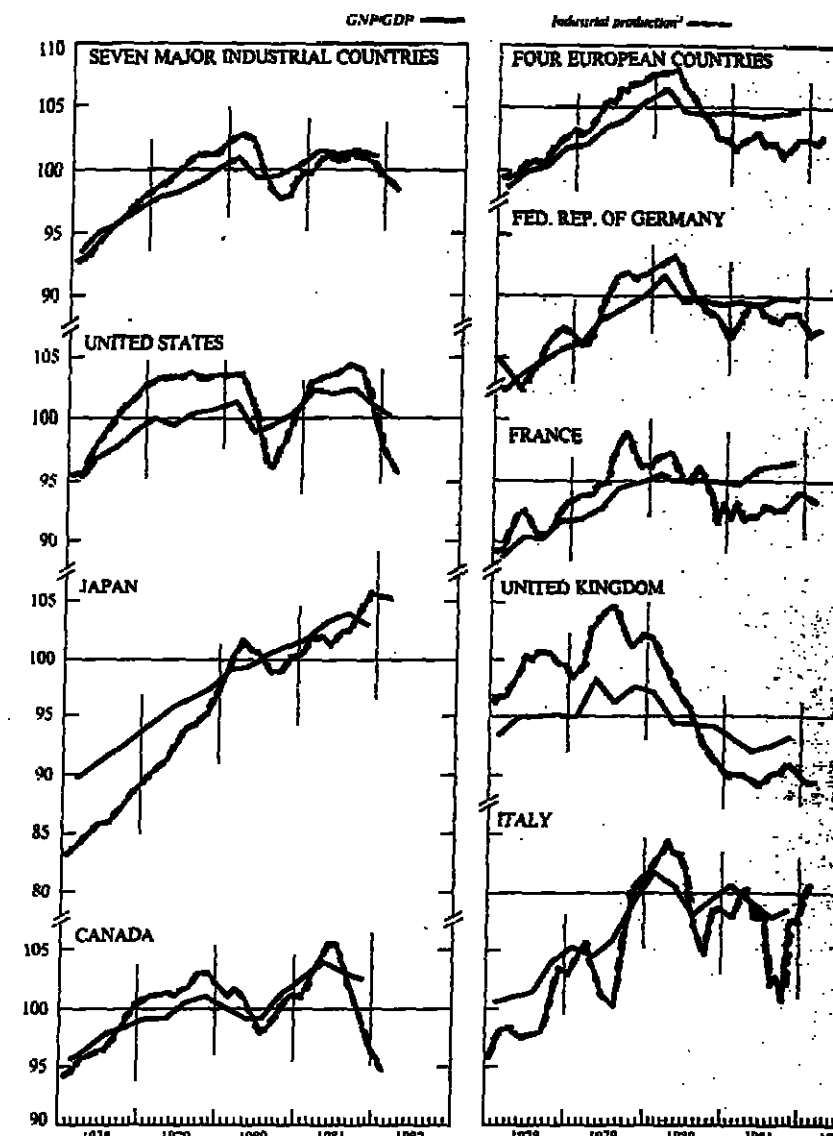
French Position

Such measures, Mr. Lambdordt recently told OECD economic ministers, "result in a very pronounced aggressive export strategy, and for me this no longer constitutes fundamentally desirable competition in which companies attempt to boost their export performance."

France for its part has no intentions of being singled out as the only guilty party regarding protectionist behavior.

Major Industrial Countries: Real GNP and Industrial Production, 1978-March 1982

(Indices, 1980 = 100)



Seasonally adjusted.
Three-month moving average.

President Francois Mitterrand told a group of American reporters during a breakfast meeting at the Elysee Palace last Friday that he considered that "all countries are protectionist" and that he was counting on the participants at Versailles to "place all our cards on the table."

The French leader also indicated that he had no intention of supporting proposals aimed at reforming the multilateral trading system. What the conference needs to accomplish, Mr. Mitterrand suggested, is "not to rebuild the architecture, but to restore the architecture we have."

Secrecy and Splendor Reign as Sun King's Château Is Prepared for Summit

By Mary Blume

International Herald Tribune

PARIS — The Château de Versailles, a building so extravagant that on his deathbed Louis XIV begged his heir not to follow his elaborate example, was chosen over 18 sites in France for the setting of the summit conference on world economic problems.

Versailles reflects France's preferred image of itself as a presidential palace, and on the practical side it is easy to close off the château and its grounds, it is close to Paris and it costs less than the other places that were suggested.

While no cost figures have been made public, French officials have ridiculed published reports that they are the franc equivalent of at least \$11 million and perhaps \$13 million — although observers tend to believe the reports. Official spokesmen said that the Versailles conference will cost less than those at Venice and Ottawa, in which about the same number of people were involved. "It will cost less because we are using only administration personnel and resources without calling in private companies as they did at Ottawa and Venice."

All heads of state will stay at the Grand Trianon at Versailles, with delegation leaders at the nearby Trianon Palace Hotel. The Grand Trianon, in pink marble and stone, was designed by Mansart for Louis XIV. Its furniture was dispersed during the Revolution and it was refurbished by Napoleon. It was restored in 1965 by De Gaulle to receive visiting heads of state, and its Empire interior is quite ugly, at the same time rigid and gaudy. It has in one wing 32 rooms that can be used as private quarters and so there were no problems in accommodating the eight top representatives, each of whom will have a four-room suite. At least one bathroom had to be added, although others have reportedly been refurbished. In the drawing of each bedroom's night table will be a lawlessly bound book about Socialist France.

The conference, which will begin with a working dinner on Friday, will end with a gala dinner on Sunday in the Galerie des Glaces, where the Versailles Treaty was signed on June 28, 1919. (The sign commemorating the ceremony during which Germany was pressed without the Versailles Treaty has been taken down so as not to offend the Bonn

delegation.) Most details of diversions planned for this and other dinners are still secret.

The cooking for the heads of state will be done by four young *nouvelle cuisine* chefs, including two well-known for their restaurants in the Paris area, Gerard Pagnaud and Michel Pasquet; the other two are Jean Bardet and Marcel Thomas, from the provinces. They will prepare all the meals together, with their 25 helpers. The president's office has asked that the menus be kept secret, recommending only that they use French regional products and avoid entrails and such delicacies as snails and frogs.

The meals will in fact be prepared at Mr. Pagnaud's restaurant in Boulogne-Billancourt, and will be reheated at Versailles, where a makeshift kitchen has been installed near the Galerie des Glaces. Caterers will feed the delegation and the press. Other scheduled entertainments include an opera, a song recital and a fireworks display on Sunday that is expected to be shown on international television. The actual summit meeting will be held in the Salle du Sacre (Coronation Room), decorated with paintings by David and portraits of

Napoleon. Details of special furnishings for the summit meeting are yet another secret. Lunches for the heads of delegations will be held in the Salon de la Paix, which has a painting of Louis XIV bringing peace to Europe. Members of delegations will eat in the Galerie des Batailles, decorated with 33 paintings representing French victories. The Galerie des Batailles is in the south wing, where the delegations will be doing their work while the conference is held in the central part of the château.

The south wing was badly damaged by a Breton separatist's bomb in 1978 that destroyed a number of rooms. Restoration was hastened for the summit meeting, as was the entire restoration program for the parts of the château visible to dignitaries. The château staff is said to be very pleased to get work done in months rather than years. Pierre Lemoine, the curator of Versailles, said, "We simply accelerated the restoration program decided in 1978 under which Versailles was granted 100 million francs." Presumably this makes up for the fact, loudly protested by neighboring merchants and others dependent on the tourist trade, that the château and

grounds were closed to the public on May 24 and will remain off-limits until Monday. (Overhead airspace has also been closed, with anti-aircraft weapons and interceptors standing by.)

In the south wing, offices for each delegation have been set up under huge, freshly varnished paintings of Napoleonic battles and treaty talks. Plastic-topped desks and fluorescent tubes have been installed.

While separated from the actual conference, delegations will be in close electronic touch. The French are very proud that the highly advanced communications systems they have set up are all French and did not necessitate digging up grounds. The system includes a memory bank for journalists so that if they want to know, for example, about French-Japanese trade agreements since 1922, they need only push a button to get the answer on a screen.

Press Area

The journalists — about 2,000 are expected — will work in the Orangery from which 1,300 orange, palm and pomegranate trees have been displaced (actually, since the time of Louis XIV they always come out of doors on May

15). Under the beautiful vaulted ceilings, battlement gray partitions have been erected to serve as offices, editing rooms and television centers. The press center will be open 24 hours a day and even has an Air France ticket office.

The heads of state will arrive by helicopter, which will land near the axis of the grand canal and the Apollo basin, where a podium that can hold 150 people will be raised. Each chief will have an official reception in the court of the Grand Trianon with music from the Garde Républicaine and a brief chat with President Francois Mitterrand. The great fountains will be playing when the chiefs land, although not at their full height, as that would obscure the view of the château.

French officials seem to have chosen the château space to be used very shrewdly, selecting the less valuable parts except for the gala in the Galerie des Glaces. Heads of delegations will walk past Marie-Antoinette's bed — which she abandoned in some haste on Oct. 6, 1789 — on their way to luncheon in the Salon de la Paix, but for the most part they will be using later and less fragile parts of the building, which are, however, full of the requisite sumptuousness and pomp.

'Silent Spring': Its Warning of Pollution Is Still Echoing After 20 Years

By Philip M. Boffey

New York Times Service

NEW YORK — Silent Spring, since Rachel Carson's "Silent Spring" first warned against the environmental and health damage caused by chemical pesticides. In the years since, her book has often been cited as perhaps the most influential single factor in creating public concern about the future of the world's ecology. It was Rachel Carson, many people agree, who initiated the modern environmental movement.

And the practical impact in some important areas was enormous as well. Her concerns about the deadly effects on animals of DDT and other so-called persistent pesticides, for example, became public concerns. And this public attitude eventually led the federal government to establish the Environmental Protection Agency and stricter governmental regulation of pesticides, including partial bans on some of the most controversial chemicals. Among the positive results have been a shift away from persistent chemicals, which remain in the environment for years; a reduction in pesticide residues found in the human body; the recovery of some endangered species; and a lessening of pesticide residues in air, water and soil.

Nevertheless, environmentalists and pesticide advocates alike now believe that "Silent Spring," despite its broad importance to the environmental movement, on balance, has had only limited influence in the area of its chief concern — pesticides, which include insecticides, herbicides and other chemical pest killers. Although there have been important changes in the kinds of chemicals used, the total volume of pesticides used in the United States has continued to soar, unabated.

More Than Ever

"We're treating more acres and using more pesticides than ever before," says David Pimentel, a professor of entomology and agricultural sciences at Cornell University and a longtime foe of the overuse of chemicals. "Even after Rachel Carson, we haven't gained a whole lot."

"Agriculture goes on being increasingly chemicalized," agrees Boiste E. Day, professor emeritus of plant physiology at the University of California's Berkeley campus and a leading proponent of herbicides, "because fundamentally, agriculture is a chemical business, and no diatribe will change it. That's just the way it is."

Miss Carson's book caused a sensation when major excerpts were published in The New Yorker magazine in June, 1962, and when the full text was published the following fall. It was warmly praised for its sensitive portrayal of the capacity of man to disrupt nature, and it was bitterly attacked as an emotional tirade against beneficial chemicals.

Miss Carson's major theme was that pests must be treated as part of a natural balance in which various life forms help keep each other in check. By indiscriminately spraying chemi-

cals hither and yon, she warned, the pest controllers were inadvertently destroying beneficial insects and, as the poisons concentrated and magnified in the food chain, many were killing birds and fish and other wildlife as well.

Often the result was worse, she said, than the original problem — the target pests developed resistance to the chemicals and with their natural enemies wiped out, returned to proliferate out of control. Miss Carson concentrated her fire primarily on insecticides, the predominant pesticides of her day, but also expressed concern about herbicides, the weed killers that were coming into increasing use.

She was particularly worried about the so-called persistent or "hard" pesticides that remain active in the environment for years and that were already invading the tissues of virtually all Americans, with health consequences that could not be foreseen. She especially favored biological controls — the use of predators, diseases and sterilizers to attack insect pests — on the grounds that such controls are often more effective and more selective in their action than are chemicals.

Some scientists believe that her book, a deliberately one-sided polemic that had few good words for pesticides, has had a destructive impact. They believe that "Silent Spring" raised

exaggerated fears about chemicals that are crucial in producing food and fiber and whose side effects are not all that drastic. Norman E. Borlaug, winner of the Nobel Peace Prize for his work in developing new strains of wheat, once blamed the "best-selling, half-scientific, half-fiction novel 'Silent Spring'" for instigating a "vicious, hysterical propaganda campaign against the use of agricultural chemicals."

However, other pest-control experts consider Miss Carson's clairvoyance. "I don't see much she said that hasn't come to pass in one way or another," said Robert L. Metcalf, professor of entomology at the University of Illinois, a past president of the Entomological Society of America.

"She was very much concerned about the lack of selectivity in pesticides," he said, "and that's just about as great a problem today as in 1962. She talked about the need for biological controls and about better ways of sharing the Earth with natural creatures, and that problem persists today. She warned about insects becoming resistant to chemicals, and now more than 40 species of pests are resistant to one or more pesticides."

If Miss Carson was upset at the volume of pesticides spread over the American landscape

in the early 1960s, she would be appalled at the quantities used today. Production of synthetic organic pesticides in the United States has doubled in the last two decades — from 730 million pounds of active ingredients in 1962 to almost 1.5 billion pounds in 1980 — reflecting increases in both domestic use and exports.

Within that total, the quantity of insecticides, Miss Carson's chief concern, has grown only slightly, and fungicide production has leveled off, too. But there has been an explosive growth in production and use of herbicides. Farmers and land managers have found that chemicals are the cheapest and easiest way to get rid of unwanted vegetation. And the widespread adoption of "no till" farming to halt erosion has required herbicides to kill weeds that would otherwise be eliminated by plowing.

By one count, the area doused with herbicides in the United States jumped to 250 million acres in 1977 from 71 million acres in 1962. Herbicides now comprise the bulk of all pesticides used in the country, and experts expect the quantities to keep growing.

Opinions differ on whether herbicides pose a greater or lesser danger than the insecticides that predominated in Miss Carson's day. Some

environmentalists expect herbicides to become as big a health and environmental issue in the 1980s as insecticides were in the 1960s and 1970s. They view the controversy over Agent Orange, a mixture of chemicals used to defoliate jungles in Vietnam, as a harbinger of future battles over herbicides.

But others consider herbicides more benign than insecticides because most dissipate quickly and, while lethal to plants, are often harmless to humans, who have an entirely different biochemical mechanism. Boric acid, for example, kills vegetation but soothes the human eye. The effect seems to be random. Some herbicides are toxic to animals, others are not. The long-term health hazards of herbicides remain in dispute.

One trend that would please Miss Carson is a shift away from the use of long-lasting chemicals toward those that dissipate more quickly in the environment. The shift has come about partly because the persistent pesticides were running into problems of insect resistance, and partly because of regulatory crackdowns and court actions. Many of the chemical "elixirs of death" that Miss Carson most deplored — such as DDT, chlordane, heptachlor, dieldrin and aldrin — have been banned.

These changing pesticide patterns have led

to a perceptible improvement in various indicators of environmental contamination and human health hazards.

Frederick W. Kutz, who heads pesticide monitoring programs for the Environmental Protection Agency, said that pesticide residues found in shell and fin fish, air, water, soil and food all showed signs of diminishing during the 1970s. Even Mr. Pimentel, the Cornell critic of chemical abuses, considers the environmental gains "a real accomplishment" and a boon to wildlife that was threatened with extinction. "It looks like the peregrine falcon, the eagle and the osprey are doing better than in the past," he says.

Shirley A. Briggs, a friend and colleague of Miss Carson who is executive director of the Rachel Carson Council, also rejoices that the banning of DDT from agricultural uses "has already enabled highly susceptible species, including the brown pelican and the bald eagle, to make some gains back from threatened extinction."

The most important health indicator — the body burden of pesticides found in the average American — has also registered improvement. Traces of pesticide are still found in the fatty tissue of virtually all Americans tested, but the average amount found has been decreasing, largely because the younger age groups have experienced less exposure to the persistent pesticides that are being phased out. The biggest decline has been registered by DDT, but EPA officials report a perceptible drop during the 1970s in essentially all other pesticides measured in human fatty tissue as well.

Significance in Dispute

The health significance of this body burden remains in dispute. The view espoused by Rachel Carson and by many environmentalists today is that the pesticide residues are bound to be harmful.

Lewis Regenstein, vice president of the Fund for Animals and author of a new book on chemical hazards, said in an interview: "On the 20th anniversary of 'Silent Spring,' pesticides and other deadly chemicals remain a greater threat than ever. We're in the midst of a cancer epidemic, a lot of it associated with toxic chemicals. Pesticides are certainly a major factor."

But an emerging consensus of cancer experts holds that there is, in fact, nothing approaching a cancer epidemic yet visible and little evidence that the explosive growth in synthetic organic chemicals is a major factor in cancer. Environmental scientists still find two health trends worrisome. Pesticide residues continue to show up in wells at various points around the nation, suggesting to some that there may be a long-term hazard from contamination of drinking water. And the environmental improvement from curbing persistent pesticides has been gained at the expense of introducing a more immediate hazard. The nonpersistent pesticides that have been substituted are more acutely toxic and pose a greater immediate health risk to the farmworkers and others who apply them.

Rachel Carson: From Lyrical to Polemical

By Bayard Webster

New York Times Service

NEW YORK — She once told a friend that in the next life she wanted to be reincarnated as a term, the swift and graceful bird that epitomized the wildlife and ocean shore she loved so well. And it was this concern for the world of nature that eventually led Rachel Carson to draft the often bitter landmark work, "Silent Spring."

A well-documented study of the dire environmental consequences that could result from the overuse of synthetic organic pesticides, "Silent Spring" created a controversy that is still flaring.

The woman who created both the controversy and the crusade was a retiring person who was described by her publisher as "a trained scientist with a poet's wonder."

Rachel Louise Carson, who died in 1964, just two years after the publication of "Silent Spring," was born on May 27, 1907, in Springdale, Pa., a town far from the ocean. But from the time she could read the poetry of John Masfield, she was entranced by the sea and the world of nature. "Ever since childhood I've been fascinated by the sea, and my mind has stored up everything I've ever learned about it," she said in an interview in 1962.

In Springdale she was raised by her mother, who took her daughter for explorations in the nearby woods as soon as the

child was old enough to walk. Her mother is credited with teaching her as a tiny child the joy of the out-of-doors and the lore of the creatures of the streams and ponds near her home. Soon the daughter came to have a respect for nature that became the hallmark of her later work and writings.

After graduating from high school, Miss Carson enrolled in the Pennsylvania College for Women in Pittsburgh, planning to become a writer. Her plans took a fateful twist when she became fascinated by biology and switched her major from English composition.

After graduating from college she entered Johns Hopkins University in Baltimore, supplementing her postgraduate studies with research at the Marine Biological Laboratory in Woods Hole, Mass., where she learned about the sea at first hand. She wrote her thesis on the embryonic development of catfish and received her master's degree in biology from Johns Hopkins.

After teaching biology at Johns Hopkins and the University of Maryland, Miss Carson joined the U.S. Fish and Wildlife Service as a marine biologist. She later became editor in chief for the service's publications, enabling her finally to blend biology and writing.

In 1937 she wrote an essay on marine life for the Atlantic. It was so well received that she was encouraged to write her first book, "Under the Sea Wind." She wrote "The Sea

Around Us" in 1951. That masterpiece of lyrical scientific writing became a best seller and was reprinted in 30 languages. Now that she was famous as a writer-scientist, her next book would be the highly praised work, "The Edge of the Sea."

It was World War II that transformed her voice from the lyrical to the polemical. Her research for the government during the war had shown her the dangers of many newly developed toxic chemicals. And when a friend in New England wrote that spraying programs for mosquitoes and gypsy moths had wiped out bird populations in a wildlife sanctuary, Miss Carson was moved to write the book that would be her most powerful.

For six years, Miss Carson interviewed scientists, communicated with scores of others in many parts of the world, and worked on her manuscript. Although "Silent Spring" inspired a yearlong series of attacks led by chemical companies, after months of study the President's Science Advisory Committee published a formal report that backed its main points.

It affirmed Miss Carson's warning that pesticides were silencing many life forms and also noted that her book was the only popular source of dependable information on the impact of such chemicals.

Miss Carson, who never married, lived in Silver Spring, Md., and summered in a cottage on the Maine coast. She died of cancer on April 14, 1964, at the age of 56.



Rachel Carson in 1963.

[illegible]

June, 1982

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Jobless Level Shows Fall in W. Germany

By Thomas W. Lippman
Washington Post Service

WASHINGTON — Buffeted by depressed sales and the soaring costs of creating new products demanded by a volatile industry, several major U.S. computer and semiconductor companies are developing a program of research and development.

According to some analysts, this is part of an effort to band together to stand up to the giants of the industry, such as International Business Machines, and to Japanese manufacturers.

The impetus for the plan came from William Morris, chairman of Control Data, who organized a meeting of 15 chief executive officers in Florida in February to examine its feasibility.

Control Data officials and other sources in the industry said the discussions still are preliminary and that no firm plan has been developed, but the first step probably will be creating a joint venture to sponsor high-technology research in universities.

At the most recent meeting of the study group, held in Denver three weeks ago, participants agreed on the "need to stay competitive and therefore to stimulate research and engineering in computer science and semiconductor technology," according to a spokesman for Digital Equipment, one of the participants.

Computer science and semiconductor technology are becoming more closely related as computers incorporate more sophis-

Computer, Chip Makers Discuss Cooperation

By Thomas W. Lippman
Washington Post Service

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Computer science and semiconductor technology are becoming more closely related as computers incorporate more sophis-

ted electronic memory chips and semiconductor makers use computers to design new products, so the overlap of interests is clear, he said.

William Shaffer, a spokesman for Control Data, said the participants in the exploratory meetings include such giants as Rockwell International, Xerox, United Technologies, Sperry, Burroughs, NCR, Honeywell, and Motorola, in addition to Digital and Control Data.

"They all agree on the need to maximize the value" of their research and development dollars, he said. Given the availability of capital and talent and the pressure to shorten development cycles, and the exploding range of individual technologies that have to be pursued in depth, joint research and development can "save time, money and recruiting expense," he said.

The prospect of cooperative product development among competing companies raises obvious antitrust questions. Mr. Shaffer said federal antitrust officials had been informed of the discussions, but "we are in no way in a position yet to request Justice Department approval. We expect to be able to draft a proposal by the end of the summer."

A senior antitrust official at the Justice Department said there is "no absolute reason why we should oppose this. The policy of the department is that there are circumstances where joint research activities are permissible and promote efficiency."

"I don't think the antitrust issue is a con-

cern any longer, given the concern about competition from Japan Inc.," said Harry Edelson, an industry analyst at First Boston Corp. He and other analysts said that computer and electronics companies already are linked in several jointly owned ventures and subsidiaries, none of which has raised antitrust complaints from the government.

Control Data, for example, shares with Honeywell the ownership of Magnetic Peripherals, which makes devices to store and print computer data.

Any proposal for joint R-and-D work would present thorny operational problems, such as what work should be done, by whom, and in what laboratories; who would benefit from any patentable results; and whether the research effort should concentrate on techniques and processes or on specific products, such as random access memory chips, in which Japan is dominating the market. Joint sponsorship of work in universities could bypass some of those problems as well as the antitrust issue, industry officials said.

IBM, the giant of the computer industry and a longtime rival of Control Data, is not participating in the talks.

Ulric Weil, an analyst with Morgan Stanley, said that Control Data "is part of a group of companies, including Sperry Univac and Honeywell, that are under-resourced relative to IBM and AT&T, which they are competing against. They are saying, 'Look, none of us is strong enough financially to stand up to the Japanese or IBM by ourselves.'"

percentage point reduction for 12 months in the effective rate of the oil and gas revenue tax, to 11 percent of gross revenues, the package provides an annual tax credit of \$250,000 dollars for each company or group of companies participating in a project.

That means that hundreds of small companies would effectively be exonerated from all federal taxes, Mr. Lalonde said, a development that would make the companies "attractive investment vehicles."

But James Deacey, a spokesman in Ottawa for the Canadian Petroleum Association, which represents most of the industry here, said Tuesday that the preliminary feeling in the industry was that the tax credit might keep small companies from closing their doors but "it is not going to get any holes drilled."

Robert Landry, a vice president of Imperial Oil, an Exxon subsidiary that is Canada's biggest oil concern, said in a telephone interview that he welcomed the adjustments but that "it is very hard to assess the overall benefits."

The several hundred smaller companies that are the primary beneficiaries of the program "may use their tax breaks to pay off debts before they engage in new activity," he said.

Italians Strike Over Issue of Indexed Wage

The Associated Press

MILAN — Hundreds of thousands of strikers marched in several Italian cities Wednesday to the decision of the private manufacturers' confederation, Confindustria, to cancel a 1975 agreement on wage indexation.

The system of wage indexation provides for automatic wage increases based on rises in the cost of living. The government has called it a major factor in Italy's double-digit inflation.

Private manufacturers have contended that the indexation causes sharp increases in production costs.

Confindustria's chairman, Vittorio Merloni, said a new system will be negotiated. "We are not seeking a cut in purchasing power of workers," he said.

The decision affects 2.58 million workers out of an industrial work force of 7 million and a total work force of 20 million.

The unilateral decision Tuesday made relations between unions and manufacturers extremely tense on the eve of negotiations for work contracts. There were stoppages as soon as it was announced.

Italy's largest private industries, such as the Fiat auto company and the Pirelli rubber group, were hit by four-hour stoppages per shift. Fiat officials in Turin said about 50 percent of workers joined the walkout.

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated.

Australia

Year	Revenue	Profits
1981	1,760	12.43
1980	1,630	112.06

Japan

Year	Revenue	Profits
1981	1,147	1,020
1980	1,020	4,370

South Africa

Year	Revenue	Profits
1981	502.6	527.9
1980	2.23	2.33

Egypt Raises Its Oil Price

New York Times Service

CAIRO — Egypt, responding to a tightening of worldwide oil supplies, raised the price of its crude oil Tuesday by 60 cents a barrel, to \$32.60. It thus became the third oil producer, after Britain and Norway, to raise prices.

Swiss May Ease Rules on Capital Markets

By Lucian Caspar
Reuters

ZURICH — The Swiss National Bank is likely to ease capital markets rules soon, banking sources here said Wednesday.

One major change could be the lifting of a clause that requires foreign banks, central banks and governments to hold privately placed Swiss franc notes until maturity, they said.

Minor changes may affect syndicated loans and public bonds as well, the sources added.

A national bank spokesman said talks with commercial banks are complete, and that the new rules will be published later this summer after the governing board has

Canada Oil Firms Cool on Aid Plan

By Henry Giniger
New York Times Service

OTTAWA — Canada's oil and gas industry has reacted with skepticism to a federal tax relief package designed to revive lagging investment and exploration activity.

Energy Minister Marc Lalonde, who announced the tax concessions on Monday, told a news conference Tuesday that the 2-billion-Canadian-dollar (\$1.6-billion) package represented "a significant

push for industry" when combined with a 5.4-billion-dollar royalty reduction announced by Alberta last month.

Mr. Lalonde, who was forced to defend his national energy program in the House of Commons Monday against charges by opposition members that it was a "disaster," said the new measures were designed to help smaller companies that needed it most.

In addition to providing a one-

Borrowing Down On World Markets, OECD Reports

United Press International

PARIS — The amount of new funds raised on international capital markets in May totaled \$14.4 billion, a decline of \$3.3 billion from April, the Organization for Economic Cooperation and Development said Wednesday.

OECD said the May borrowing rate was still \$700 million above the average monthly volume of \$13.7 billion registered during the first quarter of 1982.

The OECD figures, contained in the June issue of the 24-nation organization's "Financial Statistics Monthly," show the drop in May was largely the result of a decrease in medium- and long-term syndicated loans, which were about \$3.8 billion lower than in the preceding month.

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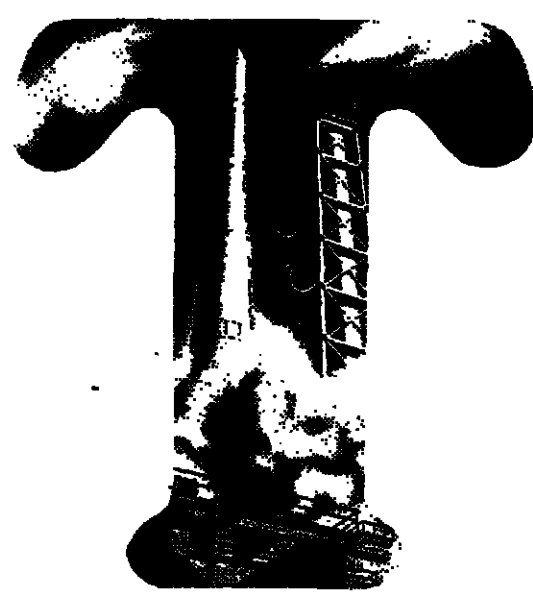
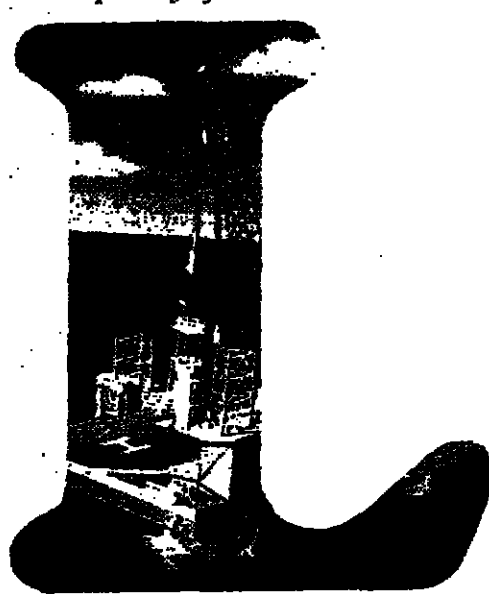
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(Continued from Page 16)

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Highlights from the Balance Sheet as at December 31, 1981

Assets	DM million	Liabilities	DM million
Cash Reserves and Balances with Banks	2,252	Banking Liabilities	44,210
Securities	224	Promissory notes	1,100
Loans	47,609	Bonds	2,713
Participations	153	Provisions	134
Real estates and buildings	22	Capital	1,000
Unpaid Capital	850	Reserves	1,324
Loans on a trust basis	9,672	Loans on a trust basis	9,672
Other Assets	561	Other Liabilities	1,190
Total Assets	61,343	Total Liabilities	61,343

We shall be pleased to send you on request a copy of the Annual Report for 1981 together with a summary of Kreditanstalt's activities.

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SPORTS

Connors Is Beaten,
Vilas Defeats NoahBy Nick Spout
New York Times Service

PARIS — José Higueras, a 29-year-old Spaniard whose bout with hepatitis two years ago left him so weak he was hospitalized, left little doubt about his recovery Wednesday with a solid 6-2, 6-2, 2-victory over top-seeded Jimmy Connors in the French Open tennis championships.

Higueras advanced to the semi-finals, where he will play Guillermo Vilas, the fourth-seeded Argentine who defeated Yannick Noah of France, 7-6, 6-3, 6-4. The winner will meet either José Luis Clerc or Mats Wilander in Sunday's final.

Higueras demonstrated the classic clay-court game that earned him his first French Open title in 1979, when he won three tournaments and broke into the world's top 10. He refused to let Connors lure him to the net — almost always returning approach shots and then carrying back to the baseline.

Connors gave up trying to volley — because Higueras was beating him with blazingly accurate passing shots, many seeming to land only inches inbounds.

The lopsided score betrayed the amount of on-court work. "I didn't think it was an easy match at all," said Higueras, who beat Connors last year at North Conway, N.H. "I was running a lot."

Connors agreed. "We were close to defeat in a lot of games. I just couldn't put two or three points together."

Festivities on Clay

In losing, Connors failed for the second straight year to make the semifinals at Roland Garros Stadium. An American male has not won the French Open since 1955; it remains the only Grand Slam event to have eluded Connors.

Connors was the only American left in the men's half, and his loss prompted questions about whether Americans, with their limited opportunities on clay, would ever be able to master such courts in an era when the world is producing specialists on them.

Connors said the ideal preparation for the French Open would be four or five months of playing on European clay. "But," he said, "I just can't do that at this point in my career."

"When I missed those five years I was absent from the French Open from 1974 to 1978. I probably could have. But I don't have it left in me."

He was quick to add that "there aren't many guys, though, who can beat me on clay. I don't see why an American can't win here. If I didn't think I could win, I wouldn't play here."

Higueras played to Connors' erratic forehand — a successful tactic, since the ball frequently was returned into the net.

"I'm in very good condition," said Higueras, who won a tournament in Hamburg last month. "I've played a lot of matches lately."

He'll Need It

His illness left him 10 pounds lighter and was largely responsible for his slump in 1980. Higueras said he felt cramps in his legs during a first-round match last year in Madrid and that he thought then that if he didn't begin to feel healthy soon he would quit after another year or two.

Higueras will need all the conditioning he can get to beat Vilas, who has won five tournaments in 1981.

1982 — and who subdued Noah with sheer force.

"His ball was very, very heavy," said Noah of Vilas' shots. "It was hard to control."

"Last year, he was going back to the baseline. Now, he's coming in and passing more. And he has one of the best overhead smashes in the world."

Asked what it would take to beat Vilas, the stunned Noah said: "You have to get the ball back a hundred times a point. You have to have a good serve and also a good volley, because Vilas has very good passing shots."

The women's finalists will be determined Thursday, when Chris Evert Lloyd will meet Andrea Jaeger and Martina Navratilova will meet Hana Mandlikova.

The Men's International Professional Tennis Council canceled the \$2,250 in fines levied last week against Vilas Germainis for on-court obscenities. An MITP Council statement Wednesday said that Germainis had not intended any obscenity when he twice twirled his racket on an extended third finger and walked around with a tennis ball between his thighs.



José Higueras

... After a 6-2, 6-2, 6-2 victory: 'I'm in very good condition.'

Tigers; 2-1 Victors Over Angels, Assume Divisional Lead

From Agency Dispatches
ANAHEIM, Calif. — Dan Pety pitched eight shutout innings to lead Detroit to a 2-1 victory over California here Tuesday night. The Tigers have won five of their last six and have moved into first place in the American League East, a half-game ahead of Boston.

Pety (5-3) was relieved by Dave Tobik in the ninth after Juan Beniquez walked and Bob Boone singled him to third. Tim Lincecum struck out and Rod Carew hit a run-scoring sacrifice fly — but pinch runner Rob Wilong, trying to advance to second on the play, was thrown out by center fielder Kirk Gibson to end the game.

The Tigers scored both their runs in the second off Ken Forsch (4-5). A single by Richie Hebner and Larry Herndon's double set up a run-scoring grounder by Lance Parrish and Lou Whitaker's RBI single.

In Kansas City, Mo., Vida Blue struck out nine and Dan Quisenberry picked up his league-leading 13th save as the Royals defeated Chicago, 4-3. Blue (3-3) had not pitched since May 15 because of a pulled leg muscle.

In Cleveland, reliever Ron Davis walked pinch hitter Karl Pagan with the bases loaded in the eighth to force home the go-ahead run.

In Oakland, Calif., Rickey Henderson's two-run, fifth-inning home run paced the A's to a 3-2 victory over Boston. Henderson also walked and stole two bases, giving him 51 steals in 51 games. With the Red Sox ahead, 2-1, Mike

Rollie Fingers combined on a four-hitter and Ted Simmons hit a home run to pace Milwaukee to a 2-1 decision over the Mariners. Vuckovich (6-2) struck out six and walked three in 7½ innings; Fingers went the rest of the way to earn his 11th save.

In St. Louis, pinch hitter Jack Clark's run-scoring single with one out in the 11th scored Darrell Evans as San Francisco beat the Cardinals, 4-3. Reggie Smith led off the inning with a single off Jim Kaat (1-1), and pinch runner Dave Bergman moved to second on Evans' single. Bergman was forced at third on Milt May's attempted sacrifice fly. Clark was being rested with a sore Achilles tendon, greeted reliever Doug Bair with a single to center.

In Philadelphia, Mike Vail singled in one run and added a pair of doubles in support of Greg Harris' five-hit pitching, leading Cincinnati to a 4-1 victory over the Phillies.

In Pittsburgh, Bill Madlock hit a two-run homer and John Cantarella and two relievers combined on a five-hitter to help the Pirates beat Los Angeles, 3-1.

In New York, Dale Murphy keyed a four-run first with his 15th homer of the year, good for three runs, and Atlanta went on to down the Mets, 7-3. The losers' Randy Jones (6-4) failed to retire any of the six hitters he faced.

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Lakers Never Headed in 129-108 Romp

By David DuPree
Washington Post Service

INGLEWOOD, Calif. — The Los Angeles Lakers had their running game working again Tuesday night, and the Philadelphia 76ers couldn't keep up. They didn't come close.

Led by Norm Nixon's 29 points and a devastating defense, Los Angeles took an early lead and seldom let up. Their 129-108 victory here gave the Lakers a 2-1 lead in the NBA Finals.

NBA FINALS

the best-of-seven National Basketball Association championship series.

Nixon is the Lakers' catalyst. As they swept a record time straight games in the playoffs, he led the team with a 22-point average. When the Lakers lost their first game in 46 days on Sunday, he scored six. Tuesday, as Los Angeles improved its playoff record to 10-1, he also had six assists and three steals.

"I think if I don't have a good night scoring, I hurt the team," Nixon said after making eight of 10 second-half shots. "So I went out from the gun and tried to score."

Said Maurice Cheeks, the 76er guard who tried to guard Nixon: "He just got his shots going, and once they started falling there was no way to stop him."

The Lakers dominated so totally it hardly mattered that center Kareem Abdul-Jabbar went to the bench late in the first quarter with three personal fouls and didn't play the final 14 minutes of the opening half.

After Philadelphia shot 24 percent in the first quarter, the Lakers had a 12-point lead. They maintained it at halftime and increased it to 23 in the first 3½ minutes of the second half. Although the 76ers got 36 points from Andrew Toney, it was no contest after the first eight minutes.

The team that has won Game 3 has gone on to take 12 of the last 14 championships; the Lakers seemed quite aware of that statistic Tuesday. "We didn't play well except in some isolated spurts in the two games in Philadelphia," said Lakers Coach Pat Riley. "But tonight we put a whole game together."

Hitting the Boards
The 76ers won Sunday's Game 2 because, aside from Nixon's 3-14 floor shooting, they negated the Lakers' trapping defense and out-rebounded them. But the traps caused havoc for Philadelphia Tuesday, and the Lakers had a 48-

43 rebounding edge. "Our big guys said before the game that they were going to hit the boards hard," said Nixon, "and they went out and did it."

Riley made one adjustment with his matchups. He put his best rebounder, Earvin Johnson, on Julius Erving — to get Johnson closer to the basket. And Erving, who dominated Game 2 with 24 points and 14 rebounds, was outscored and out-rebounded. He finished with 21 points, but had only three rebounds and three assists. Johnson's figures, respectively, were 22, nine and eight.

With Johnson inside, that left Nixon outside to lead the fast break. He scored 12 of his points in the third quarter. Johnson says Nixon "has committed himself to rebounding more in the playoffs, and that gets me the ball more in the open court. And that's where I'm at my best."

Riley also made some minor adjustments in the Laker defense. "The traps are the key," he said. "If you play it right, the only way to beat it is with good outside shooting, and we feel they have only one really good outside shooter — Toney. We made him take those shots."

Los Angeles broke to a 6-0 lead and, after the 76ers tied the game at eight, the winners went on a 10-

2 tear. They never were threatened again.

With Abdul-Jabbar on the bench, Bob McAdoo scored 12 of his 14 points in the last 14 minutes of the first half. Ahead by 12, the Lakers began the second quarter with an 8-0 spurt. Nixon and Michael Cooper each getting two fast-break baskets. By then, the 76er offense was a two-man game — Toney and Erving combined for 21 of Philadelphia's 28 second-quarter points. Cooper's three-point shot at the buzzer gave the Lakers a 60-48 halftime lead.

Great Time
Los Angeles clinched the game in the first five minutes of the third period, outscoring Philadelphia, 17-4, for a 77-54 lead. The Lakers were stealing the ball, running and generally looking as if they were having a great time at the 76ers' expense.

Said losing coach Billy Cunningham: "I just thought they were a step quicker than we were in every respect. They played great basketball and got the ball to the right people."

"I know it's simplifying things, but we just didn't play well and we did. We've been in this position many times before in the playoffs, and we've always come back."

"We'll be back Thursday."

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Favored Golden Fleece
3-Length Derby Winner

From Agency Dispatches

EPSOM, England — Golden Fleece, ridden by Pat Eddery, stormed through the last 1½ furlongs to win Wednesday's 203d Derby Stakes horse race by three lengths over Touching Wood.

The 3-1 favorite, trained in Ireland by Vincent O'Brien, defeated 17 other three-year-old colts in the 1½-mile race.

His clocking was 2:24.27 — the fastest Derby time since World War II despite the course's being damp from heavy rain that stopped just before the race began.

Owner Robert Sangster picked up the winner's purse of £146,720 (about \$256,760).

Fast Cook, rode 40-1 shot Touching Wood, whose trainer is H. Thomson Jones.

A length farther back, Silver Hawk held off a challenge by Persepolis to complete a sweep of the top three places for American-bred horses. Silver Hawk (14-1) is trained by Michael Albina and was ridden Wednesday by Tony Murray.

After going into the last two furlongs with seven horses ahead of him, Golden Fleece turned on a tremendous burst of speed to win.

Eddery, who also won the Derby in 1975 aboard Grundy, switched his mount to the outside and quickly overhauled the leaders.

Touching Wood had no answer to the winner's pace; the only place in doubt was third, which Silver Hawk took in a photo finish with the French-trained Persepolis.

Golden Fleece was sweating badly before the race, but the big colt handled the turns and undulations of Epsom's switchback course superbly.

"He is a big horse, but when you ask him he picks up well," said Eddery. "He made up the ground quickly."

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Lewis Gets a Running Jump
Toward 'Untouchable' MarkBy Scott Ostler
Los Angeles Times Service

LOS ANGELES — On his final jump one recent afternoon, Carl Lewis hit the sand smiling. Bob Beamon, God rest his track spikes, must have turned over in his chaise longue.

Lewis had just exploded the second-longest long jump of all time, about three inches short of Beamon's "untouchable" record of 29-2½, and he raised his arms in triumph.

The UCLA crowd knew that Lewis was out there near 29 feet. They had seen him jump 28-3 twice already that day, and this one was longer.

The only problem was the guy in the white hat and blue blazer, wary back by the takeoff board, waving a red flag. The eagle-eyed official was signaling that the jump was no good. Lewis had fouled.

Lewis walked back to the takeoff board to take a look. The official pointed to the soft, black asphalt bordering the white board. In the black was a semicircular mark about the size of a healthy fingernail clipping. The mark was made by the toe on Lewis' takeoff foot. So a fabulous leap became a mere track-meet footnote, so to speak.

Lewis, still smiling, quickly measured the jump and saw he had landed an inch or two short of 29 feet. He jogged happily away, as if to say, "So next time I'll wear shorter shoes."

Beamon set his record in 1968 at the Mexico City Olympics. It didn't figure to stand any longer.

BALTIMORE — Baltimore Oriole pitcher Steve Stone, the American League's Cy Young Award winner in 1980, Tuesday announced his retirement because of recurrent tendinitis in his right elbow and shoulder. Stone, 34, has had arm problems since his 25-7 record of two years ago, when he also started and retired nine batters in the All-Star Game.

The right-hander, who came to the Orioles as a free agent after the 1978 season, spent three months on the disabled list last year. He made only 12 starts in 1981, finishing with a 4-7 record. He had pitched twice this season, his last appearance being March 11 against Texas, when he left after two innings with a sore elbow.

Stone was originally signed by the San Francisco Giants, and also pitched for the Chicago White Sox and Cubs. His 11-year record is 107-93. In three seasons with Baltimore, he won 40 games in 61 decisions. The .656 winning percentage is the best in Oriole history.

"He tried both resting the arm and throwing with pain," said Manager Earl Weaver. "I guess somewhere along the line a guy might say the pain is too much and not worth the effort."

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than the Rock of Gibraltar. But now Lewis is making 28 feet look easy. Track doctors aren't giving Beamon many more weeks

